

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 4841
OFFERED BY MR. PHILLIPS OF
MINNESOTA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Prudential Regulator
3 Oversight Act”.

4 SEC. 2. ANNUAL TESTIMONY.

5 (a) IN GENERAL.—The Dodd-Frank Wall Street Re-
6 form and Consumer Protection Act (12 U.S.C. 5301 et
7 seq.) is amended by adding at the end of title VI the fol-
8 lowing:

**9 “SEC. 629. ANNUAL TESTIMONY OF PRUDENTIAL REGU-
10 LATORS.**

11 “(a) SEMI-ANNUAL REPORT.—

12 “(1) IN GENERAL.—The prudential regulators
13 shall each issue a semi-annual report to the Com-
14 mittee on Banking, Housing, and Urban Affairs of
15 the Senate and the Committee on Financial Services
16 of the House of Representatives regarding the ef-
17 forts, activities, objectives, and plans of the regu-
18 lator with respect to the conduct of supervision and

1 regulation of depository institution holding compa-
2 nies, depository institutions, and credit unions.

3 “(2) SPECIFIC CONTENTS.—Each report re-
4 quired under paragraph (1) shall include a descrip-
5 tion of—

6 “(A) the safety and soundness of depositi-
7 tory institution holding companies, depository
8 institutions, and credit unions, including cap-
9 ital, liquidity, leverage, stress testing, and living
10 wills, as applicable;

11 “(B) the examination and supervision of
12 depository institution holding companies, deposi-
13 tory institutions, and credit unions, particu-
14 larly G-SIBs, including a detailed description of
15 enforcement actions taken during the reporting
16 period, and a description of the regulator’s ex-
17 ercise of all available tools beyond imposing
18 fines to ensure compliance with all applicable
19 laws and regulations, as well as actions to en-
20 sure accountability for culpable executives;

21 “(C) emerging risks that may affect depositi-
22 tory institutions and potential threats to the fi-
23 nancial stability of the United States, and any
24 actions the regulator took in coordination with

1 the Office of Financial Research, to identify
2 and mitigate those threats;

3 “(D) any recent actions taken by the regu-
4 lator as a voting member of the Financial Sta-
5 bility Oversight Council and any updates re-
6 lated to authorities the regulator has under title
7 I or title VIII of this Act with respect to en-
8 hanced prudential standards and supervision of
9 large bank holding companies and firms des-
10 igned by the Financial Stability Oversight
11 Council;

12 “(E) the implementation of the regulator’s
13 diversity and inclusion efforts, including its im-
14 plementation of section 342 of this Act and the
15 regulator’s compliance with section 308 of the
16 Financial Institutions Reform, Recovery, and
17 Enforcement Act of 1989 with respect to mi-
18 nority depository institutions;

19 “(F) the implementation of the Community
20 Reinvestment Act of 1977, including informa-
21 tion on examinations, guidance, and regula-
22 tions;

23 “(G) any mandatory provision of law that
24 has not been implemented yet by the regulator,

1 including the date on which the mandatory pro-
2 vision will be implemented;

3 “(H) an overview of the mergers and ac-
4 quisitions process, including data and descrip-
5 tions of any mergers and acquisitions approved
6 during the reporting period;

7 “(I) examinations for Bank Secrecy Act
8 and anti-money laundering compliance, as well
9 as coordination with the Financial Crimes En-
10 forcement Network and appropriate commu-
11 nication with depository institutions and credit
12 unions;

13 “(J) the utilization of financial technology
14 as it relates to depository institution holding
15 companies, depository institutions, and credit
16 unions regulated by the regulator, including the
17 use of various technologies by depository insti-
18 tutions and credit unions as well as partner-
19 ships with third-party companies; and

20 “(K) cybersecurity of depository institution
21 holding companies, depository institutions, and
22 credit unions, including steps taken to enhance
23 cyber readiness and strengthen the protection
24 of consumer data.

25 “(b) TESTIMONY.—

1 “(1) IN GENERAL.—The prudential regulators
2 shall each appear before the Committee on Banking,
3 Housing, and Urban Affairs of the Senate and the
4 Committee on Financial Services of the House of
5 Representatives at an annual hearing to testify with
6 respect to the reports required under subsection (a).

7 “(2) VICE CHAIRMAN FOR SUPERVISION.—The
8 Vice Chairman for Supervision of the Board of Gov-
9 ernors shall appear before the Committee on Bank-
10 ing, Housing, and Urban Affairs of the Senate and
11 the Committee on Financial Services of the House of
12 Representatives at an semiannual hearing to testify
13 with respect to the reports required under subsection
14 (a). Any such appearance shall satisfy the require-
15 ments of section 10(12) of the Federal Reserve Act.

16 “(c) DEFINITIONS.—In this section:

17 “(1) BANK SECRECY ACT.—The term ‘Bank Se-
18 crecy Act’ means—

19 “(A) section 21 of the Federal Deposit In-
20 surance Act;

21 “(B) chapter 2 of title I of Public Law 91–
22 508; and

23 “(C) subchapter II of chapter 53 of title
24 31, United States Code;

1 “(2) G-SIB.—The term ‘G-SIB’ means a global
2 systemically important bank holding company, as
3 such term is defined under section 217.402 of title
4 12, Code of Federal Regulations.

5 “(3) PRUDENTIAL REGULATORS.—The term
6 ‘prudential regulators’ means the Vice Chairman for
7 Supervision of the Board of Governors, the Comp-
8 troller of the Currency, the Chairperson of the Cor-
9 poration, and the Chairman of the National Credit
10 Union Administration Board.”.

11 (b) CLERICAL AMENDMENT.—The table of contents
12 under section 1(b) of the Dodd-Frank Wall Street Reform
13 and Consumer Protection Act is amended by inserting
14 after the item relating to section 628 the following:

“Sec. 629. Annual testimony of prudential regulators.”.

