[DISCUSSION DRAFT]

116TH CONGRESS
2D SESSION

H. R. _____

To prohibit global systemically important bank holding companies from conducting share buybacks or paying dividends until the end of the COVID–19 emergency period.

IN THE HOUSE OF REPRESENTATIVES

M. ______ introduced the following bill; which was referred to the Committee on ________

A BILL

To prohibit global systemically important bank holding companies from conducting share buybacks or paying dividends until the end of the COVID–19 emergency period.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Promoting Safety and Soundness during the Pandemic Act”.

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SEC. 2. PROHIBITION ON GSIB BUYBACKS AND DIVIDENDS.

(a) IN GENERAL.—A global systemically important bank holding company may not, during the COVID–19 emergency period—

(1) purchase securities issued by the company; or

(2) pay dividends on the securities of the company.

(b) DEFINITIONS.—In this section:

(1) COVID–19 EMERGENCY PERIOD.—The term “COVID-19 emergency period” means the period that begins upon the date of the enactment of this Act and ends upon the date of the termination by the Federal Emergency Management Agency of the emergency declared on March 13, 2020, by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 4121 et seq.) relating to the Coronavirus Disease 2019 (COVID-19) pandemic.

(2) SECURITY.—The term “security” has the meaning given that term under section 3 of the Securities Exchange Act of 1934.

(3) GLOBAL SYSTEMICALLY IMPORTANT BANK HOLDING COMPANY.—The term “global systemically important bank holding company” means a bank holding company that is a “global systemically im-
important BHC” under section 217.402 of title 12, Code of Federal Regulations.