

**AMENDMENT TO THE AMENDMENT IN THE  
NATURE OF A SUBSTITUTE TO H.R. 3556  
OFFERED BY MR. SHERMAN OF CALIFORNIA**

Add at the end of title III the following:

1 **SEC. 302. INCLUSION OF ELEMENTS OF ACCUMULATED**  
2 **OTHER COMPREHENSIVE INCOME IN CAP-**  
3 **ITAL REQUIREMENTS FOR COVERED FINAN-**  
4 **CIAL INSTITUTIONS.**

5 (a) IN GENERAL.—Section 165 of the Financial Sta-  
6 bility Act of 2010 (12 U.S.C. 5365) is amended by adding  
7 at the end the following new subsection:

8 “(1) INCLUSION OF ELEMENTS OF ACCUMULATED  
9 OTHER COMPREHENSIVE INCOME.—

10 “(1) IN GENERAL.—The computation of capital  
11 for purposes of meeting capital requirements for a  
12 covered financial institution shall include all accumu-  
13 lated other comprehensive income components, ex-  
14 cept for accumulated net gains and losses on cash  
15 flow hedges related to items that are not recognized  
16 at fair value.

17 “(2) COVERED FINANCIAL INSTITUTION DE-  
18 FINED.—In this subsection, the term ‘covered finan-  
19 cial institution’ means—

1           “(A) a bank holding company (as defined  
2           in section 2(a) of the Bank Holding Company  
3           Act of 1956 (12 U.S.C. 1841(a))) with total  
4           consolidated assets greater than  
5           \$100,000,000,000;

6           “(B) a insured depository institution over  
7           which a bank holding company does not have  
8           control with total consolidated assets greater  
9           than \$100,000,000,000; or

10           “(C) any other bank holding company or  
11           insured depository institution, as determined by  
12           the appropriate Federal banking agencies.”.

13           (b) APPLICABILITY.—A covered financial institution  
14           (as defined in section 165(l) of the Financial Stability Act  
15           of 2010, as added by this Act) that elected to opt out of  
16           the requirement to report accumulated other comprehen-  
17           sive income components pursuant to the rule titled  
18           “Changes to Applicability Thresholds for Regulatory Cap-  
19           ital and Liquidity Requirements” (84 Fed. Reg. 59230;  
20           November 1, 2019) shall be subject to the requirements  
21           of subsection (l) of section 165 of the Financial Stability  
22           Act of 2010, as added by this Act, on the effective date  
23           described in subsection (e).

24           (c) EFFECTIVE DATE.—The appropriate Federal  
25           banking agencies (as defined in section 3 of the Federal

1 Deposit Insurance Act (12 U.S.C. 1813)) shall issue final  
2 rules to carry out this Act and the amendments made by  
3 this Act that shall take effect on a date not earlier than  
4 60 days after the date of the enactment of this Act and  
5 not later than December 31, 2024.

