

118TH CONGRESS
1ST SESSION

H. R. 4206

To amend the Financial Stability Act of 2010 to require covered financial institutions to include elements of accumulated other comprehensive income when calculating capital for purposes of meeting capital requirements, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 2023

Mr. SHERMAN introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To amend the Financial Stability Act of 2010 to require covered financial institutions to include elements of accumulated other comprehensive income when calculating capital for purposes of meeting capital requirements, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Bank Safety Act of
5 2023”.

1 **SEC. 2. 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—

20 “(A) a bank holding company (as defined
21 in section 2(a) of the Bank Holding Company
22 Act of 1956 (12 U.S.C. 1841(a))) with total
23 consolidated assets greater than
24 \$100,000,000,000;

25 “(B) a insured depository institution over
26 which a bank holding company does not have

1 control with total consolidated assets greater
2 than \$100,000,000,000; or

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

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

17 (c) EFFECTIVE DATE.—The appropriate Federal
18 banking agencies (as defined in section 3 of the Federal
19 Deposit Insurance Act (12 U.S.C. 1813)) shall issue final
20 rules to carry out this Act and the amendments made by
21 this Act that shall take effect on a date not earlier than
22 60 days after the date of the enactment of this Act and
23 not later than December 31, 2024.

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