

[DISCUSSION DRAFT]

119TH CONGRESS
1ST SESSION

H. R. _____

To enhance the reporting and testimony requirements for Federal banking agencies.

IN THE HOUSE OF REPRESENTATIVES

Ms. DE LA CRUZ introduced the following bill; which was referred to the Committee on _____

A BILL

To enhance the reporting and testimony requirements for Federal banking agencies.

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 “Banking Regulator Ac-
5 countability Act”.

6 **SEC. 2. REPORTS AND TESTIMONY TO CONGRESS ON SU-**
7 **PERVISION.**

8 (a) **TESTIMONY AND REPORTS TO CONGRESS ON**
9 **FEDERAL RESERVE SYSTEM SUPERVISION.—Section 2B**

1 of the Federal Reserve Act (12 U.S.C. 225b) is amended
2 by adding at the end the following:

3 “(d) SEMI-ANNUAL TESTIMONY AND REPORT TO
4 CONGRESS ON SUPERVISION.—

5 “(1) IN GENERAL.—The Vice Chairman for Su-
6 pervision shall submit a semi-annual report to the
7 Committee on Banking, Housing, and Urban Affairs
8 of the Senate and the Committee on Financial Serv-
9 ices of the House of Representatives regarding the
10 efforts, activities, objectives, and plans of the Board
11 with respect to the conduct of supervision and regu-
12 lation of depository institution holding companies
13 and other financial firms supervised by the Board.

14 “(2) MINIMUM CONTENTS.—At a minimum,
15 each report under paragraph (1) shall include—

16 “(A) conditions of financial firms, includ-
17 ing examination or inspection ratings, on an ag-
18 gregate basis by firm asset size;

19 “(B) granular data on outstanding mate-
20 rial supervisory determinations by type of deter-
21 mination, including the types of risks covered,
22 on an aggregate basis by firm asset size;

23 “(C) changes in the number and types of
24 outstanding material supervisory determinations
25 over the previous 5 years;

1 “(D) aggregate data on the ratings of fi-
2 nancial firms over the previous 3 years;

3 “(E) the number of informal and formal
4 enforcement actions, by type of enforcement
5 order and showing changes in the last 3 years,
6 against supervised financial firms on an aggre-
7 gate basis by firm asset size; and

8 “(F) a description of the organization of
9 the supervisory functions of the Board with re-
10 spect to financial firms, including information
11 on roles, responsibilities, accountability, and tal-
12 ent management.

13 “(3) CONFIDENTIAL REPORT.—Concurrent with
14 each report under paragraph (1), the Vice Chairman
15 for Supervision shall submit a confidential report to
16 the chair and ranking member of each committee de-
17 scribed under paragraph (1) identifying—

18 “(A) each supervised financial firm with
19 less than satisfactory examination or inspection
20 ratings; and

21 “(B) each supervised financial firm with
22 an active formal or informal enforcement ac-
23 tion, and the status of each provision of each
24 enforcement action.”.

1 (b) TESTIMONY AND REPORTS TO CONGRESS ON
2 FEDERAL DEPOSIT INSURANCE CORPORATION SUPER-
3 VISION.—Section 17 of the Federal Deposit Insurance Act
4 (12 U.S.C. 1827) is amended by adding at the end the
5 following:

6 “(h) SEMI-ANNUAL TESTIMONY AND REPORT TO
7 CONGRESS ON SUPERVISION.—

8 “(1) APPEARANCES BEFORE CONGRESS.—The
9 Chairman of the Corporation shall appear before the
10 Committee on Banking, Housing, and Urban Affairs
11 of the Senate and the Committee on Financial Serv-
12 ices of the House of Representatives at semi-annual
13 hearings regarding the efforts, activities, objectives,
14 and plans of the Corporation with respect to the
15 conduct of supervision and regulation of depository
16 institutions supervised by the Corporation.

17 “(2) REPORT TO CONGRESS.—

18 “(A) IN GENERAL.—The Chairman of the
19 Corporation shall transmit to the Committee on
20 Banking, Housing, and Urban Affairs of the
21 Senate and the Committee on Financial Serv-
22 ices of the House of Representatives semi-an-
23 nual reports regarding the efforts, activities, ob-
24 jectives, and plans of the Corporation with re-
25 spect to the conduct of supervision and regula-

1 tion of depository institutions supervised by the
2 Corporation.

3 “(B) MINIMUM CONTENTS.—At a min-
4 imum, each report under subparagraph (A)
5 shall include—

6 “(i) conditions of depository institu-
7 tions, including examination or inspection
8 ratings, on an aggregate basis by institu-
9 tion asset size;

10 “(ii) granular data on outstanding
11 material supervisory determinations by
12 type of determination, including the types
13 of risks covered, on an aggregate basis by
14 institution asset size;

15 “(iii) changes in the number and
16 types of outstanding material supervisory
17 determinations over the previous 5 years;

18 “(iv) aggregate data on the ratings of
19 depository institutions over the previous 3
20 years;

21 “(v) the number of informal and for-
22 mal enforcement actions, by type of en-
23 forcement order and showing changes in
24 the last 3 years, against supervised deposi-

1 tory institutions on an aggregate basis by
2 institution asset size; and

3 “(vi) a description of the organization
4 of the supervisory functions of the Cor-
5 poration with respect to depository institu-
6 tions, including information on roles, re-
7 sponsibilities, accountability, and talent
8 management.

9 “(C) CONFIDENTIAL REPORT.—Concurrent
10 with each report under subparagraph (A), the
11 Chairman of the Corporation shall submit a
12 confidential report to the chair and ranking
13 member of each committee described under sub-
14 paragraph (A) identifying—

15 “(i) each supervised depository insti-
16 tution with less than satisfactory examina-
17 tion or inspection ratings; and

18 “(ii) each supervised depository insti-
19 tution with an active formal or informal
20 enforcement action, and the status of each
21 provision of each enforcement action.”.

22 (c) TESTIMONY AND REPORTS TO CONGRESS ON
23 COMPTROLLER OF THE CURRENCY SUPERVISION.—The
24 second section 333 of the Revised Statutes of the United

1 States (12 U.S.C. 14; relating to the annual report) is
2 amended—

3 (1) by striking “The Comptroller” and inserting
4 the following:

5 “(a) ANNUAL REPORT.—The Comptroller”; and

6 (2) by adding at the end the following:

7 “(b) SEMI-ANNUAL TESTIMONY AND REPORT TO
8 CONGRESS ON SUPERVISION.—

9 “(1) APPEARANCES BEFORE CONGRESS.—The
10 Comptroller of the Currency shall appear before the
11 Committee on Banking, Housing, and Urban Affairs
12 of the Senate and the Committee on Financial Serv-
13 ices of the House of Representatives at semi-annual
14 hearings regarding the efforts, activities, objectives,
15 and plans of the Office of the Comptroller of the
16 Currency with respect to the conduct of supervision
17 and regulation of national banks and other financial
18 firms supervised by the Office of the Comptroller of
19 the Currency.

20 “(2) REPORT TO CONGRESS.—

21 “(A) IN GENERAL.—The Comptroller of
22 the Currency shall transmit to the Committee
23 on Banking, Housing, and Urban Affairs of the
24 Senate and the Committee on Financial Serv-
25 ices of the House of Representatives semi-an-

1 nual reports regarding the efforts, activities, ob-
2 jectives, and plans of the Office of the Comp-
3 troller of the Currency with respect to the con-
4 duct of supervision and regulation of national
5 banks and other financial firms supervised by
6 the Office of the Comptroller of the Currency.

7 “(B) MINIMUM CONTENTS.—At a min-
8 imum, each report under subparagraph (A)
9 shall include—

10 “(i) conditions of national banks and
11 other financial firms, including examina-
12 tion or inspection ratings, on an aggregate
13 basis by asset size;

14 “(ii) granular data on outstanding
15 material supervisory determinations by
16 type of determination, including the types
17 of risks covered, on an aggregate basis by
18 asset size;

19 “(iii) changes in the number and
20 types of outstanding material supervisory
21 determinations over the previous 5 years;

22 “(iv) aggregate data on the ratings of
23 national banks and other financial firms
24 over the previous 3 years;

1 “(v) the number of informal and for-
2 mal enforcement actions, by type of en-
3 forcement order and showing changes in
4 the last 3 years, against supervised na-
5 tional banks and other financial firms on
6 an aggregate basis by firm asset size; and

7 “(vi) a description of the organization
8 of the supervisory functions of the Office
9 of the Comptroller of the Currency with re-
10 spect to national banks and other financial
11 firms, including information on roles, re-
12 sponsibilities, accountability, and talent
13 management.

14 “(C) CONFIDENTIAL REPORT.—Concurrent
15 with each report under subparagraph (A), the
16 Comptroller of the Currency shall submit a con-
17 fidential report to the chair and ranking mem-
18 ber of each committee described under subpara-
19 graph (A) identifying—

20 “(i) each supervised national bank or
21 other financial firms with less than satis-
22 factory examination or inspection ratings;
23 and

24 “(ii) each supervised national bank or
25 other financial firms with an active formal

1 or informal enforcement action, and the
2 status of each provision of each enforce-
3 ment action.”.

4 (d) TESTIMONY AND REPORTS TO CONGRESS ON NA-
5 TIONAL CREDIT UNION ADMINISTRATION SUPER-
6 VISION.—Section 102 of the Federal Credit Union Act (12
7 U.S.C. 1752a) is amended by adding at the end the fol-
8 lowing:

9 “(g) SEMI-ANNUAL TESTIMONY AND REPORT TO
10 CONGRESS ON SUPERVISION.—

11 “(1) APPEARANCES BEFORE CONGRESS.—The
12 Chairman of the Board shall appear before the Com-
13 mittee on Banking, Housing, and Urban Affairs of
14 the Senate and the Committee on Financial Services
15 of the House of Representatives at semi-annual
16 hearings regarding the efforts, activities, objectives,
17 and plans of the Administration with respect to the
18 conduct of supervision and regulation of credit
19 unions supervised by the Administration.

20 “(2) REPORT TO CONGRESS.—

21 “(A) IN GENERAL.—The Chairman of the
22 Board shall transmit to the Committee on
23 Banking, Housing, and Urban Affairs of the
24 Senate and the Committee on Financial Serv-
25 ices of the House of Representatives semi-an-

1 nual reports regarding the efforts, activities, ob-
2 jectives, and plans of the Administration with
3 respect to the conduct of supervision and regu-
4 lation of credit unions supervised by the Admin-
5 istration.

6 “(B) MINIMUM CONTENTS.—At a min-
7 imum, each report under subparagraph (A)
8 shall include—

9 “(i) conditions of credit unions, in-
10 cluding examination or inspection ratings,
11 on an aggregate basis by credit union asset
12 size;

13 “(ii) granular data on outstanding
14 material supervisory determinations by
15 type of determination, including the types
16 of risks covered, on an aggregate basis by
17 credit union asset size;

18 “(iii) changes in the number and
19 types of outstanding material supervisory
20 determinations over the previous 5 years;

21 “(iv) aggregate data on the ratings of
22 credit unions over the previous 3 years;

23 “(v) the number of informal and for-
24 mal enforcement actions, by type of en-
25 forcement order and showing changes in

1 the last 3 years, against supervised credit
2 unions on an aggregate basis by credit
3 union asset size; and

4 “(vi) a description of the organization
5 of the supervisory functions of the Board
6 with respect to credit unions, including in-
7 formation on roles, responsibilities, ac-
8 countability, and talent management.

9 “(C) CONFIDENTIAL REPORT.—Concurrent
10 with each report under subparagraph (A), the
11 Chairman of the Board shall submit a confiden-
12 tial report to the chair and ranking member of
13 each committee described under subparagraph
14 (A) identifying—

15 “(i) each supervised credit union with
16 less than satisfactory examination or in-
17 spection ratings; and

18 “(ii) each supervised credit union with
19 an active formal or informal enforcement
20 action, and the status of each provision of
21 each enforcement action.”.