[DISCUSSION DRAFT]

117TH CONGRESS  1ST SESSION

H. R. _____

To amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to require Federal banking regulators to include a diversity and inclusion component in the Uniform Financial Institutions Rating System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. Green of Texas introduced the following bill; which was referred to the Committee on ________

A BILL

To amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to require Federal banking regulators to include a diversity and inclusion component in the Uniform Financial Institutions Rating System, 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 “Promoting Diversity
5 and Inclusion in Banking Act of 2021”.
SEC. 2. DIVERSITY AND INCLUSION RATINGS.

(a) IN GENERAL.—The Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5301 et seq.) is amended by inserting after section 342 the following:

“SEC. 342A. DIVERSITY AND INCLUSION RATINGS.

“(a) IN GENERAL.—The Board of Governors, the Comptroller of the Currency, the Corporation, and the National Credit Union Administration Board, in assigning a rating to a depository institution under the Uniform Financial Institutions Rating System (or an equivalent rating by any such agency under a comparable rating system) shall include a diversity and inclusion component that examines—

“(1) whether the depository institution has policies in place to encourage diversity and inclusion in the hiring practices of the institution;

“(2) whether the depository institution provides training to the employees of the institution on diversity and inclusion; and

“(3)(A) with respect to a depository institution with total consolidated assets of $1,000,000,000 or less, whether such depository institution has designated an individual to serve as a Diversity and Inclusion Officer who reports to the Chief Executive
Officer of the institution on all diversity and inclusion matters; or

“(B) with respect to a depository institution with total consolidated assets of more than $1,000,000,000, whether such depository institution—

“(i) has designated an individual to serve as a Diversity and Inclusion Officer; and

“(ii) has established a committee for diversity and inclusion that holds meetings quarterly and that includes in its membership the Diversity and Inclusion Officer designated under clause (i) and the Chief Executive Officer of the institution.

“(b) Application to Minority Depository Institutions.—In carrying out subsection (a) with respect to a minority depository institution (as defined under section 308(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989), the Board of Governors, the Comptroller of the Currency, the Corporation, and the National Credit Union Administration Board shall—

“(1) assign such institution the highest rating with respect to the diversity and inclusion component described under subsection (a); and
“(2) exempt such institution from any examination procedures related to the diversity and inclusion component described under subsection (a).”.

(b) CLERICAL AMENDMENT.—The table of contents for the Dodd-Frank Wall Street Reform and Consumer Protection Act is amended by inserting after the item relating to section 342 the following:

“Sec. 342A. Diversity and inclusion ratings.”.