116TH CONGRESS
2D SESSION

H. R. ____

To require Consumer Compliance ratings for megabanks be disclosed, to require ratings, such as those for capital adequacy, asset quality, management, earnings, liquidity, and sensitivity to market risk (CAMELS), to be disclosed no later than two years after an exam, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To require Consumer Compliance ratings for megabanks be disclosed, to require ratings, such as those for capital adequacy, asset quality, management, earnings, liquidity, and sensitivity to market risk (CAMELS), to be disclosed no later than two years after an exam, 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 “Disclose Megabank
5 Ratings Act”.

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term “appropriate Federal banking agency”—

(A) has the meaning given that term under section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813); and

(B) includes the Bureau of Consumer Financial Protection, with respect to an evaluation under the Consumer Compliance Rating System of an insured depository institution described under section 1025(a) of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5515(a)).

(2) BANK RATINGS SYSTEM.—The term “Bank Ratings System” means—

(A) with respect to a depository institution, the Uniform Financial Institutions Rating System (or a comparable rating system); and

(B) with respect to a megabank, the large financial institution (LFI) rating system (or a comparable rating system).

(3) MEGABANK.—

(A) IN GENERAL.—The term “megabank” means—
(i) a bank holding company that has been identified by the Board of Governors of the Federal Reserve System as a global systemically important bank holding company pursuant to section 217.402 of title 12, Code of Federal Regulations; and

(ii) a global systemically important foreign banking organization, as defined under section 252.2 of title 12, Code of Federal Regulations.

(B) TREATMENT OF EXISTING GSIBS.—A company or organization described under clause (i) or (ii) of subparagraph (A) on the date of the enactment of this Act shall be deemed a megabank.

(4) OTHER BANKING DEFINITIONS.—The terms “affiliate”, “depository institution”, and “subsidiary” have the meaning given those terms, respectively, under section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

SEC. 3. PUBLIC DISCLOSURE OF SUPERVISORY RATINGS.

(a) CONSUMER COMPLIANCE RATINGS.—With respect to a depository institution that is a subsidiary or affiliate of a megabank, the appropriate Federal banking agency shall, after each evaluation of the depository insti-
tution under the Consumer Compliance Rating System,
make the results of such evaluation available to the public
(including on the website of the agency) along with a brief
overview of the results that includes key findings made
by the agency in carrying out such evaluation.

(b) Bank Ratings.—

(1) In general.—With respect to a megabank
and each depository institution that is a subsidiary
or an affiliate of the megabank, the appropriate
Federal banking agency shall, after the end of the
2-year period beginning on the date of an evaluation
of the megabank or a depository institution under a
Bank Ratings System, make the results of such eval-
uation (including the composite score and component
scores, if applicable) available to the public (includ-
ing on the website of the agency) along with a brief
overview of the results that includes key findings
made by the agency in carrying out such evaluation.

(2) Earlier disclosure permitted.—An ap-
propriate Federal banking agency may disclose the
results of an evaluation described under paragraph
(1) before the end of the 2-year period described in
such paragraph if the appropriate Federal banking
agency determines that such disclosure is in the pub-
lic interest and would not negatively affect the safety
and soundness of the megabank or the depository institution evaluated.

(c) Inclusion of Prior Evaluations.—The requirements under subsection (a) and (b) shall also apply to each evaluation of a megabank or a depository institution that is a subsidiary or an affiliate of the megabank under the Consumer Compliance Rating System or a Bank Ratings System that was completed after January 1, 2000.