AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 2516
OFFERED BY MR. GREEN OF TEXAS

[Amendment to the Promoting Diversity and Inclusion in Banking Act of 2021]

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.
2 This Act may be cited as the “Promoting Diversity and Inclusion in Banking Act of 2021”.

4 SEC. 2. DIVERSITY AND INCLUSION RATINGS.
5 (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:

9 “SEC. 342A. DIVERSITY AND INCLUSION RATINGS.
10 “(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 effective 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, that is appropriate to the size and resources 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 Diver-
sity 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 minority depository institutions, the Board of Governors, the Comptroller of the Currency, the Corporation, and the National Credit Union Administration Board shall—

“(1) assign such institutions the most favorable rating with respect to the diversity and inclusion component described under subsection (a); and

“(2) exempt such institutions from any examination procedures related to the diversity and inclusion component described under subsection (a).

“(c) DEFINITIONS.—In this section:

“(1) DEPOSITORY INSTITUTION.—The term ‘depository institution’ means a depository institution or a credit union.

“(2) MINORITY DEPOSITORY INSTITUTION.—The term ‘minority depository institution’ means an entity that is—

“(A) a minority depository institution, as defined in section 308 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1463 note); or
“(B) considered to be a minority deposi-
tory institution by—

“(i) the appropriate Federal banking
agency; or

“(ii) the National Credit Union Ad-
ministration, in the case of an insured
credit union.”.

(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 re-
lating to section 342 the following:

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