AMENDMENT TO THE SENATE AMENDMENTS TO
H.R. 22
OFFERED BY MR. LUETKEMEYER OF MISSOURI

Page 932, line 14, strike “Section” and insert the following:

(a) STOCKHOLDER DIVIDENDS.—Section

Page 932, after line 19 insert the following:

(b) SYSTEMIC RISK DESIGNATION IMPROVEMENT.—

(1) TABLE OF CONTENTS.—The table of contents for the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5301 et seq.) is amended by striking the item relating to section 113 and inserting the following:

“Sec. 113. Authority to require enhanced supervision and regulation of certain nonbank financial companies and certain bank holding companies.”.

(2) REVISIONS TO COUNCIL AUTHORITY.—

(A) PURPOSES AND DUTIES.—Section 112 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5322) is amended in subsection (a)(2)(I) by inserting before the semicolon “, which have been the sub-
ject of a final determination under section 113”.

(B) BANK HOLDING COMPANY DESIGNATION.—Section 113 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5323) is amended—

(i) by amending the heading for such section to read as follows: “AUTHORITY TO REQUIRE ENHANCED SUPERVISION AND REGULATION OF CERTAIN NONBANK FINANCIAL COMPANIES AND CERTAIN BANK HOLDING COMPANIES”;

(ii) by redesignating subsections (c), (d), (e), (f), (g), (h), and (i) as subsections (d), (e), (f), (g), (h), (i), and (j), respectively;

(iii) by inserting after subsection (b) the following:

“(c) BANK HOLDING COMPANIES SUBJECT TO ENHANCED SUPERVISION AND PRUDENTIAL STANDARDS UNDER SECTION 165.—

“(1) DETERMINATION.—The Council, on a non-delegable basis and by a vote of not fewer than \( \frac{2}{3} \) of the voting members then serving, including an af-
firmative vote by the Chairperson, may determine
that a bank holding company shall be subject to en-
hanced supervision and prudential standards by the
Board of Governors, in accordance with section 165,
if the Council determines, based on the consider-
ations in paragraph (2), that material financial dis-
tress at the bank holding company, or the nature,
scope, size, scale, concentration, interconnectedness,
or mix of the activities of the bank holding company,
could pose a threat to the financial stability of the
United States.

“(2) CONSIDERATIONS.—In making a deter-
mination under paragraph (1), the Council shall use
the indicator-based measurement approach estab-
lished by the Basel Committee on Banking Super-
vision to determine systemic importance, which con-
siders—

“(A) the size of the bank holding company;

“(B) the interconnectedness of the bank
holding company;

“(C) the extent of readily available sub-
stitutes or financial institution infrastructure
for the services of the bank holding company;

“(D) the global cross-jurisdictional activity
of the bank holding company; and
“(E) the complexity of the bank holding company.

“(3) GSIBS DESIGNATED BY OPERATION OF LAW.—Notwithstanding any other provision of this subsection, a bank holding company that is designated, as of the date of enactment of this subsection, as a Global Systemically Important Bank by the Financial Stability Board shall be deemed to have been the subject of a final determination under paragraph (1).”;

(iv) in subsection (d), as so redesignated—

(I) in paragraph (1)(A), by striking “subsection (a)(2) or (b)(2)” and inserting “subsection (a)(2), (b)(2), or (c)(2)”; and

(II) in paragraph (4), by striking “Subsections (d) through (h)” and inserting “Subsections (e) through (i)”;

(v) in subsections (e), (f), (g), (h), (i), and (j)—

(I) by striking “subsections (a) and (b)” each place such term appears and inserting “subsections (a), (b), and (c)”;}
(II) by striking “nonbank financial company” each place such term appears and inserting “bank holding company for which there has been a determination under subsection (c) or nonbank financial company”; (vi) in subsection (g), as so redesignated, by striking “subsection (e)” and inserting “subsection (f)”;

(vii) in subsection (h), as so redesignated, by striking “subsection (a), (b), or (c)” and inserting “subsection (a), (b), (c), or (d)”;

(viii) in subsection (i), as so redesignated, by striking “subsection (d)(2), (e)(3), or (f)(5)” and inserting “subsection (e)(2), (f)(3), or (g)(5)”.

(C) ENHANCED SUPERVISION.—Section 115 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5325) is amended—

(i) in subsection (a)(1), by striking “large, interconnected bank holding companies” and inserting “bank holding comp-
panies which have been the subject of a
final determination under section 113’’;
(ii) in subsection (a)(2)—
(I) in subparagraph (A), by strik-
ing ‘‘; or’’ at the end and inserting a
period;
(II) by striking ‘‘the Council
may’’ and all that follows through
‘‘differentiate’’ and inserting ‘‘the
Council may differentiate’’; and
(III) by striking subparagraph
(B); and
(iii) in subsection (b)(3), by striking
‘‘subsections (a) and (b) of section 113’’
each place such term appears and inserting
‘‘subsections (a), (b), and (c) of section
113’’.
(D) REPORTS.—Section 116(a) of the
Dodd-Frank Wall Street Reform and Consumer
Protection Act (12 U.S.C. 5326(a)) is amended
by striking ‘‘with total consolidated assets of
$50,000,000,000 or greater’’ and inserting
‘‘which has been the subject of a final deter-
mination under section 113’’. 
(E) Mitigation.—Section 121 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5331) is amended—

(i) in subsection (a), by striking “with total consolidated assets of $50,000,000,000 or more” and inserting “which has been the subject of a final determination under section 113”; and

(ii) in subsection (c), by striking “subsection (a) or (b) of section 113” and inserting “subsection (a), (b), or (c) of section 113”.

(F) Office of Financial Research.—Section 155 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5345) is amended in subsection (d) by striking “with total consolidated assets of 50,000,000,000 or greater” and inserting “which have been the subject of a final determination under section 113”.

(3) Revisions to Board Authority.—

(A) Acquisitions.—Section 163 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5363) is amended by striking “with total consolidated assets equal to
or greater than $50,000,000,000” each place such term appears and inserting “which has been the subject of a final determination under section 113”.

(B) MANAGEMENT INTERLOCKS.—Section 164 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5364) is amended by striking “with total consolidated assets equal to or greater than $50,000,000,000” and inserting “which has been the subject of a final determination under section 113”.

(C) ENHANCED SUPERVISION AND PRUDENTIAL STANDARDS.—Section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5365) is amended—

(i) in subsection (a), by striking “with total consolidated assets equal to or greater than $50,000,000,000” and inserting “which have been the subject of a final determination under section 113”; 

(ii) in subsection (a)(2)—

(I) by striking “(A) IN GENERAL.”; and
(II) by striking subparagraph
(B);
(iii) by striking “subsections (a) and
(b) of section 113” each place such term
appears and inserting “subsections (a),
(b), and (c) of section 113”; and
(iv) in subsection (j), by striking
“with total consolidated assets equal to or
greater than $50,000,000,000” and insert-
ing “which has been the subject of a final
determination under section 113”.

(D) CONFORMING AMENDMENT.—The sec-
second subsection (s) (relating to “Assessments,
Fees, and Other Charges for Certain Compa-
nies”) of section 11 of the Federal Reserve Act
(12 U.S.C. 248) is amended—
(i) by redesignating such subsection
as subsection (t); and
(ii) in paragraph (2)—
(I) in subparagraph (A), by strik-
ing “having total consolidated assets
of $50,000,000,000 or more;” and in-
serting “which have been the subject
of a final determination under section
113 of the Dodd-Frank Wall Street
Reform and Consumer Protection Act;
and’’;

(II) by striking subparagraph (B); and

(III) by redesignating subparagraph (C) as subparagraph (B).

(4) EFFECTIVE DATE; RULE OF APPLICATION.—

(A) EFFECTIVE DATE.—The Financial Stability Oversight Council may begin proceed-
ings with respect to a bank holding com-
pany under section 113(c)(1) of the Dodd-
Frank Wall Street Reform and Consumer Pro-
tection Act, as added by this subsection, on the
date of the enactment of this subsection, but
may not make a final determination under such
section 113(c)(1) with respect to a bank holding
company before the end of the 1-year period be-
ginning on the date of the enactment of this
subsection.

(B) IMMEDIATE APPLICATION TO LARGE BANK HOLDING COMPANIES.—During the 1-
year period described under subsection (a), a
bank holding company with total consolidated
assets equal to or greater than
$50,000,000,000 shall be deemed to have been the subject of a final determination under section 113(c)(1) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.