

## MOTION TO RECOMMIT H.R. 4293

M\_\_\_\_. \_\_\_\_\_ moves to recommit the bill H.R. 4293 to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendment:

Page 2, line 7, strike “and”.

Page 2, line 14, strike the period and insert “; and”.

Page 2, after line 14, insert the following:

1           (3) by adding at the end the following:

2           “(3) TREATMENT OF CERTAIN GSIB BAD AC-  
3           TORS.—

4           “(A) IN GENERAL.—The following shall  
5           apply to any global systemically important bank  
6           holding company and any subsidiary thereof, if  
7           such global systemically important bank holding  
8           company or any subsidiary thereof has engaged  
9           in a pattern or practice of unsafe or unsound  
10          banking practices and other violations related to  
11          consumer harm:

12                   “(i) The Board of Governors shall  
13                   provide for an additional adverse set of

1 condition under paragraph (1)(B)(i) for  
2 the evaluation required by paragraph (1).

3 “(ii) Subparagraph (C) of paragraph  
4 (1) shall not apply.

5 “(iii) The stress tests required by  
6 paragraph (2)(A) shall be required semi-  
7 annually.

8 “(iv) In issuing regulations under  
9 paragraph (2)(C), each Federal primary fi-  
10 nancial regulatory agency shall establish  
11 methodologies for the conduct of stress  
12 tests required by paragraph (2) that shall  
13 provide for an additional adverse set of  
14 condition.

15 “(B) DEFINITIONS.—For purposes of this  
16 paragraph:

17 “(i) FEDERAL CONSUMER FINANCIAL  
18 LAW.—The term ‘Federal consumer finan-  
19 cial law’ has the meaning given that term  
20 under section 1002 of the Consumer Fi-  
21 nancial Protection Act of 2010 (12 U.S.C.  
22 5481).

23 “(ii) GLOBAL SYSTEMICALLY IMPOR-  
24 TANT BANK HOLDING COMPANY.—

1                   “(I) IN GENERAL.—The term  
2                   ‘global systemically important bank  
3                   holding company’ means—

4                   “(aa) a bank holding com-  
5                   pany that has been identified by  
6                   the Board of Governors of the  
7                   Federal Reserve System as a  
8                   global systemically important  
9                   bank holding company pursuant  
10                  to section 217.402 of title 12,  
11                  Code of Federal Regulations; and

12                  “(bb) a global systemically  
13                  important foreign banking orga-  
14                  nization, as defined under section  
15                  252.2 of title 12, Code of Federal  
16                  Regulations.

17                  “(II) TREATMENT OF EXISTING  
18                  GSIBS.—A company or organization  
19                  described under clause (i) or (ii) of  
20                  subparagraph (A) on the date of the  
21                  enactment of this Act shall be deemed  
22                  a global systemically important bank  
23                  holding company for purposes of this  
24                  Act.

1                   “(iii) PATTERN OR PRACTICE OF UN-  
2                   SAFE OR UNSOUND BANKING PRACTICES  
3                   AND OTHER VIOLATIONS RELATED TO CON-  
4                   SUMER HARM.—The term ‘pattern or prac-  
5                   tice of unsafe or unsound banking prac-  
6                   tices and other violations related to con-  
7                   sumer harm’ means engaging in all of the  
8                   following activities, to the extent each ac-  
9                   tivity was discovered or occurred at least  
10                  once in the 10 years preceding the date of  
11                  the enactment of this Act:

12                   “(I) Having unsafe or unsound  
13                   practices in the institution’s risk man-  
14                   agement and oversight of the institu-  
15                   tion’s sales practices, as evidenced  
16                   by—

17                   “(aa) an institution lacking  
18                   an enterprise-wide sales practices  
19                   oversight program that enables  
20                   the institution to adequately  
21                   monitor sales practices to prevent  
22                   and detect unsafe or unsound  
23                   sales practices and mitigate risks  
24                   that may result from such unsafe  
25                   and unsound sales practices; and

1 “(bb) an institution lacking  
2 a comprehensive customer com-  
3 plaint monitoring process that—

4 “(AA) enables the insti-  
5 tution to assess customer  
6 complaint activity across the  
7 institution;

8 “(BB) adequately mon-  
9 itors, manages, and reports  
10 on customer complaints; and

11 “(CC) analyzes and un-  
12 derstands the potential risks  
13 posed by the institution’s  
14 sales practices.

15 “(II) Engaging in unsafe and un-  
16 sound sales practices, as evidenced by  
17 the institution—

18 “(aa) opening more than one  
19 million unauthorized deposit,  
20 credit card, or other accounts;

21 “(bb) performing unauthor-  
22 ized transfers of customer funds;  
23 and

24 “(cc) performing unauthor-  
25 ized credit inquiries for purposes

1 of the conduct described in clause  
2 (i) or (ii).

3 “(III) Lacking adequate over-  
4 sight of third-party vendors for pur-  
5 poses of risk-mitigation, to prevent  
6 abusive and deceptive practices in the  
7 vendor’s provision of consumer prod-  
8 ucts or services.

9 “(IV) Having deficient policies  
10 and procedures for sharing customers’  
11 personal identifiable information with  
12 third-party vendors for litigation pur-  
13 poses that led to inadvertent disclo-  
14 sure of such information to unin-  
15 tended parties.

16 “(V) Violating Federal consumer  
17 financial laws with respect to mort-  
18 gage loans, including charges of hid-  
19 den fees and unauthorized or im-  
20 proper disclosures tied to home mort-  
21 gage loan modifications.

22 “(VI) Engaging in unsafe or un-  
23 sound banking practices related to  
24 residential mortgage loan servicing  
25 and foreclosure processing.

1 “(VII) Violating the  
2 Servicemembers Civil Relief Act.”.

