

119TH CONGRESS
1ST SESSION

H. R. 6705

To prohibit a large banking institution from paying discretionary bonus payments when the institution is subject to a Matter Requiring Immediate Attention and does not provide the appropriate Federal banking agency with a remediation plan to correct the matter, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 15, 2025

Ms. PETTERSEN introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To prohibit a large banking institution from paying discretionary bonus payments when the institution is subject to a Matter Requiring Immediate Attention and does not provide the appropriate Federal banking agency with a remediation plan to correct the matter, 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 “Stopping Bonuses for
5 Unsafe and Unsound Banking Act”.

1 **SEC. 2. FREEZE ON DISCRETIONARY BONUS PAYMENTS BY**
2 **LARGE BANKING INSTITUTIONS IN CERTAIN**
3 **CIRCUMSTANCES.**

4 (a) IN GENERAL.—If the appropriate Federal bank-
5 ing agency issues a “matter requiring immediate atten-
6 tion” (or similar supervisory notice) to a covered banking
7 institution, the institution may not make any discretionary
8 bonus payment to a senior executive officer until the mat-
9 ter is resolved to the satisfaction of the appropriate Fed-
10 eral banking agency.

11 (b) REMEDIATION PLAN EXCEPTION.—Subsection
12 (a) shall not apply to a covered banking institution receiv-
13 ing a “matter requiring immediate attention” (or similar
14 supervisory notice)—

15 (1) during the period beginning on the date the
16 covered banking institution receives the “matter re-
17 quiring immediate attention” (or similar supervisory
18 notice) and ending on the date of the deadline de-
19 scribed under paragraph (2) to submit a remediation
20 plan; and

21 (2) if the covered banking institution provides
22 the appropriate Federal banking agency with a re-
23 mediation plan (which shall include an implementa-
24 tion period) to correct the matter that is accepted by
25 the appropriate Federal banking agency by such
26 deadline as determined by the appropriate Federal

1 banking agency, during the period beginning on the
2 date the remediation plan is accepted and the end of
3 the implementation period.

4 (c) DEFINITIONS.—In this section:

5 (1) COVERED BANKING INSTITUTION.—The
6 term “covered banking institution” means—

7 (A) a bank holding company with more
8 than \$50,000,000,000 in consolidated assets;

9 (B) a bank subsidiary of a bank holding
10 company described under subparagraph (A);
11 and

12 (C) a bank that does not have a bank hold-
13 ing company and that has more than
14 \$50,000,000,000 in consolidated assets.

15 (2) OTHER TERMS.—The terms “appropriate
16 Federal banking agency”, “bank”, “bank holding
17 company”, and “Federal banking agency” have the
18 meanings given those terms, respectively, under sec-
19 tion 3 of the Federal Deposit Insurance Act.

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