

# Union Calendar No. 176

119TH CONGRESS  
1ST SESSION

# H. R. 940

[Report No. 119-216]

To amend the Federal Financial Institutions Examination Council Act of 1978 to improve the examination of depository institutions, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 2025

Mr. HILL of Arkansas (for himself, Mr. MEUSER, Mrs. WAGNER, Mr. HUIZENGA, Mr. TIMMONS, Mr. MOORE of North Carolina, and Mr. WILLIAMS of Texas) introduced the following bill; which was referred to the Committee on Financial Services

JULY 25, 2025

Additional sponsors: Mr. HARIDOPOLOS, Mr. SESSIONS, Mr. DAVID SCOTT of Georgia, and Mr. FIELDS

JULY 25, 2025

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on February 4, 2025]

# **A BILL**

To amend the Federal Financial Institutions Examination Council Act of 1978 to improve the examination of depository institutions, 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 “Fair Audits and Inspec-*  
5 *tions for Regulators’ Exams Act” or the “FAIR Exams*  
6 *Act”.*

7 **SEC. 2. TIMELINESS OF EXAMINATIONS AND EXAMINATION**  
8 **REPORTS.**

9 *The Federal Financial Institutions Examination*  
10 *Council Act of 1978 (12 U.S.C. 3301 et seq.) is amended*  
11 *by adding at the end the following:*

12 **“SEC. 1012. TIMELINESS OF EXAMINATIONS AND EXAMINA-**  
13 **TION REPORTS.**

14 *“(a) TIMELINESS OF EXAMINATIONS.—A Federal fi-*  
15 *nancial institutions regulatory agency shall complete any*  
16 *examination of a financial institution within 270 days of*  
17 *commencing the examination, except that such period may*  
18 *be extended by the Federal financial institutions regulatory*  
19 *agency by providing written notice to the financial institu-*  
20 *tion describing with particularity the reasons that a longer*  
21 *period is needed.*

22 *“(b) FINAL EXAMINATION REPORT.—A Federal finan-*  
23 *cial institutions regulatory agency shall provide a final ex-*  
24 *amination report to a financial institution not later than*  
25 *90 days after the later of—*



1 **“SEC. 1013. TIMELINESS OF REQUIRED PERMISSION, REGU-**  
2 **LATORY, AND REPORTING GUIDANCE.**

3 *“(a) REQUEST FOR PERMISSION OR GUIDANCE.—With*  
4 *respect to an action that a financial institution is taking*  
5 *or is intending to take, the financial institution may re-*  
6 *quest a written determination by the applicable Federal fi-*  
7 *nancial institutions regulatory agency of—*

8 *“(1) the agency’s non-objection to the financial*  
9 *institution conducting a particular activity;*

10 *“(2) the agency’s interpretation of a law or regu-*  
11 *lation; and*

12 *“(3) the agency’s interpretation of generally ac-*  
13 *cepted accounting principles or accounting objectives,*  
14 *standards, and requirements.*

15 *“(b) CONTENTS OF REQUEST.—A request made under*  
16 *subsection (a) shall be in writing and contain—*

17 *“(1) the nature of the request;*

18 *“(2) applicable facts relating to the matter;*

19 *“(3) applicable law, regulation, or generally ac-*  
20 *cepted accounting principles relating to the matter;*  
21 *and*

22 *“(4) a summary of the request.*

23 *“(c) RESPONSE TO REQUEST.—A Federal financial*  
24 *institutions regulatory agency receiving a request under*  
25 *subsection (a) shall, not later than 30 days after receiving*  
26 *the request—*

1           “(1) provide the financial institution making the  
2           request with written notification that the agency re-  
3           ceived the request and stating whether the request con-  
4           tains all of the information required under subsection  
5           (b); and

6           “(2) if the request does not contain all of the in-  
7           formation required under subsection (b), provide the  
8           financial institution with an explanation of what in-  
9           formation is missing.

10          “(d) *PROVIDING MISSING INFORMATION.*—If a Federal  
11          financial institutions regulatory agency informs the finan-  
12          cial institution under subsection (c) that the request does  
13          not contain all the information required under subsection  
14          (b), the financial institution may provide the missing infor-  
15          mation to the Federal financial institutions regulatory  
16          agency during the 30-day period beginning on the date the  
17          financial institution receives the explanation of the missing  
18          information under subsection (c).

19          “(e) *DETERMINATION.*—A Federal financial institu-  
20          tions regulatory agency receiving a request under subsection  
21          (a) shall make a determination on the request and provide  
22          the financial institution with a written notice of such deter-  
23          mination—

24                 “(1) if the initial request contains the informa-  
25                 tion required under subsection (b), not later than the

1        *end of the 60-day period beginning on the date the*  
2        *Federal financial institutions regulatory agency noti-*  
3        *fies the financial institution of the receipt of the re-*  
4        *quest under subsection (c); or*

5                *“(2) if the initial request does not contain the*  
6        *information required under subsection (b), but the fi-*  
7        *nancial institution provides the missing information*  
8        *during the 30-day period described under subsection*  
9        *(d), not later than the end of the 60-day period begin-*  
10        *ning on the date such missing information is pro-*  
11        *vided; or*

12                *“(3) if the initial request does not contain the*  
13        *information required under subsection (b), and the fi-*  
14        *nancial institution does not provide the missing in-*  
15        *formation during the 30-day period described under*  
16        *subsection (d), not later than the end of the 60-day*  
17        *period beginning on the end of such 30-day period.*

18                *“(f) REPORTS AND PUBLICATION.—Each Federal fi-*  
19        *nancial institutions regulatory agency shall, within 120*  
20        *days after making a determination under paragraph (5),*  
21        *publish a summary of the determination on the public*  
22        *website of the Federal financial institutions regulatory*  
23        *agency. Each Federal financial institutions regulatory*  
24        *agency shall redact any confidential supervisory informa-*  
25        *tion about the financial institution, any identifying facts*

1 *about the financial institution, and any sensitive person-*  
 2 *ally identifiable information, and anonymize any un-re-*  
 3 *dacted information that could, individually or in the aggre-*  
 4 *gate, identify the financial institution.”.*

5 **SEC. 4. OFFICE OF INDEPENDENT EXAMINATION REVIEW.**

6 *(a) IN GENERAL.—The Federal Financial Institutions*  
 7 *Examination Council Act of 1978 (12 U.S.C. 3301 et seq.),*  
 8 *as amended by section 3, is further amended by adding at*  
 9 *the end the following:*

10 **“SEC. 1014. OFFICE OF INDEPENDENT EXAMINATION RE-**  
 11 **VIEW.**

12 *“(a) ESTABLISHMENT.—There is established in the*  
 13 *Council an Office of Independent Examination Review (the*  
 14 *‘Office’).*

15 *“(b) BOARD OF INDEPENDENT EXAMINATION RE-*  
 16 *VIEW.—*

17 *“(1) IN GENERAL.—The head of the Office shall*  
 18 *be the Board of Independent Examination Review,*  
 19 *which shall be comprised of 3 members, appointed by*  
 20 *the President, by and with the advice and consent of*  
 21 *the Senate.*

22 *“(2) QUALIFICATIONS.—The President shall ap-*  
 23 *point the 1 member of the Board from each of the fol-*  
 24 *lowing classes of individuals:*

1           “(A) *Individuals who have been employed*  
2 *by a Federal financial institutions regulatory*  
3 *agency.*

4           “(B) *Individuals who—*

5                 “(i) *are a licensed attorney or a cer-*  
6 *tified public accountant authorized to prac-*  
7 *tice under the laws of a State, the District*  
8 *of Columbia, or a territory of the United*  
9 *States;*

10               “(ii) *have either academic or private*  
11 *sector experience;*

12               “(iii) *have relevant work-related expe-*  
13 *rience in consumer affairs or compliance*  
14 *with consumer protection laws with respect*  
15 *to financial institutions; and*

16               “(iv) *are not, and were not during the*  
17 *previous 10-year period, employed by a*  
18 *Federal banking agency, a Federal reserve*  
19 *bank, or the National Credit Union Admin-*  
20 *istration.*

21           “(C) *Individuals—*

22               “(i) *with at least 10 years private sec-*  
23 *tor financial services senior management-*  
24 *level experience; and*

25               “(ii) *recommended by—*

1                   “(I) an insured depository insti-  
2                   tution;

3                   “(II) an insured credit union; or

4                   “(III) a trade association for such  
5                   institutions or credit unions.

6                   “(3) *PROHIBITION ON CERTAIN INDIVIDUALS*  
7                   *SERVING AS A BOARD MEMBER.*—*The President may*  
8                   *not appoint an individual as a member of the Board*  
9                   *if the individual—*

10                   “(A) *is, or was during the previous 2-year*  
11                   *period, employed by a Federal financial institu-*  
12                   *tions regulatory agency or a Federal reserve*  
13                   *bank;*

14                   “(B) *is, or was during the previous 2-year*  
15                   *period, employed by a financial institution; or*

16                   “(C) *is reporting, or was reporting in the*  
17                   *past 5 years, directly or indirectly to a Federal*  
18                   *financial institutions regulatory agency official*  
19                   *who makes material supervisory determinations.*

20                   “(4) *CONSULTATION.*—*In appointing members of*  
21                   *the Board, the President shall consult with the Fed-*  
22                   *eral financial institutions regulatory agencies and fi-*  
23                   *nancial institutions.*

24                   “(5) *TERM.*—

1           “(A) *IN GENERAL.*—*Each member of the*  
2           *Board shall serve for a term of 3 years.*

3           “(B) *TERM LIMITATION.*—*No individual*  
4           *may serve more than 2 full terms on the Board.*

5           “(6) *POLITICAL AFFILIATION.*—*Not more than 2*  
6           *members of the Board shall be members of the same*  
7           *political party.*

8           “(7) *QUORUM.*—

9           “(A) *IN GENERAL.*—*3 members of the Board*  
10           *shall constitute a quorum.*

11           “(B) *INITIAL QUORUM.*—*During the 6-*  
12           *month period beginning on the date of enactment*  
13           *of this section, 1 member of the Board shall con-*  
14           *stitute a quorum until the Board has 3 members.*

15           “(c) *STAFFING.*—*The Board is authorized to hire staff*  
16           *to support the activities of the Office of Independent Exam-*  
17           *ination Review. One-fifth of the costs and expenses of the*  
18           *Office, including the salaries of its employees, shall be paid*  
19           *by each of the Federal financial institutions regulatory*  
20           *agencies. Annual assessments for such share shall be levied*  
21           *by the Council based upon its projected budget for the year,*  
22           *and additional assessments may be made during the year*  
23           *if necessary.*

24           “(d) *DUTIES.*—*The Board shall—*

1           “(1) receive and, at the discretion of the Board,  
2           investigate complaints from financial institutions,  
3           their representatives, or another entity acting on be-  
4           half of such institutions, concerning examinations, ex-  
5           amination practices, or examination reports;

6           “(2) hold meetings, at least once every three  
7           months and in locations designed to encourage par-  
8           ticipation from all sections of the United States, with  
9           financial institutions, their representatives, or an-  
10          other entity acting on behalf of such institutions, to  
11          discuss examination procedures, examination prac-  
12          tices, or examination policies;

13          “(3) review examination procedures of the Fed-  
14          eral financial institutions regulatory agencies to en-  
15          sure that the written examination policies of those  
16          agencies are being followed in practice and adhere to  
17          the standards for consistency;

18          “(4) conduct a continuing and regular program  
19          of examination quality assurance for all examination  
20          types conducted by the Federal financial institutions  
21          regulatory agencies;

22          “(5) carry out an independent review of any su-  
23          pervisory appeal initiated under section 1015; and

24          “(6) report annually to the Committee on Finan-  
25          cial Services of the House of Representatives, the

1       *Committee on Banking, Housing, and Urban Affairs*  
2       *of the Senate, and the Council, on the reviews carried*  
3       *out pursuant to paragraphs (3) and (5), including*  
4       *compliance with the requirements set forth in section*  
5       *1013 regarding timeliness of examination reports,*  
6       *and the Board’s recommendations for improvements*  
7       *in examination procedures, practices, and policies.*

8       “(e) *CONFIDENTIALITY.*—*The Board and the Council*  
9       *shall keep confidential—*

10               “(1) *all meetings, discussions, and information*  
11               *provided by financial institutions and Federal finan-*  
12               *cial institutions regulator agencies that involve con-*  
13               *fidential supervisory information or privileged infor-*  
14               *mation;*

15               “(2) *all information and communications ex-*  
16               *changed between a financial institution and the Office*  
17               *of Independent Examination Review; and*

18               “(3) *all information and communications ex-*  
19               *changed between a Federal financial institutions reg-*  
20               *ulator agency and the Office of Independent Exam-*  
21               *ination Review.”.*

22       “(b) *DEFINITIONS.*—*Section 1003 of the Federal Finan-*  
23       *cial Institutions Examination Council Act of 1978 (12*  
24       *U.S.C. 3302) is amended—*

1           (1) *in paragraph (2), by striking “and” at the*  
2 *end; and*

3           (2) *by adding at the end the following:*

4           “(4) *the term ‘Board’ means the Board of Inde-*  
5 *pendent Examination Review established under sec-*  
6 *tion 1014(b);*

7           “(5) *the term ‘material supervisory determina-*  
8 *tion’ has the meaning given such term in section*  
9 *309(c) of the Riegle Community Development and*  
10 *Regulatory Improvement Act of 1994;*

11           “(6) *the term ‘insured depository institution’ has*  
12 *the meaning given that term in section 3 of the Fed-*  
13 *eral Deposit Insurance Act; and*

14           “(7) *the term ‘insured credit union’ has the*  
15 *meaning given that term in section 101 of the Federal*  
16 *Credit Union Act.”.*

17 **SEC. 5. RIGHT TO INDEPENDENT REVIEW OF MATERIAL SU-**  
18 **PERVISORY DETERMINATIONS.**

19           *The Federal Financial Institutions Examination*  
20 *Council Act of 1978 (12 U.S.C. 3301 et seq.), as amended*  
21 *by section 4, is further amended by adding at the end the*  
22 *following:*

1 **“SEC. 1015. RIGHT TO INDEPENDENT REVIEW OF MATERIAL**  
2 **SUPERVISORY DETERMINATIONS.**

3 “(a) *IN GENERAL.*—A financial institution shall have  
4 the right to obtain an independent review, as described in  
5 this section, of a material supervisory determination con-  
6 tained in a final report of examination.

7 “(b) *NOTICE.*—

8 “(1) *TIMING.*—A financial institution seeking re-  
9 view of a material supervisory determination under  
10 this section shall file a written notice with the Board  
11 within 60 days after receiving the final report of ex-  
12 amination that is the subject of such review.

13 “(2) *EXTENSION.*—The institution may file a  
14 written request with the Board for an extension of the  
15 60-day time period described under paragraph (1),  
16 which shall state good cause for granting the exten-  
17 sion. Such request shall be granted in the sole discre-  
18 tion of the Board.

19 “(3) *IDENTIFICATION OF DETERMINATION.*—The  
20 written notice shall—

21 “(A) identify the material supervisory de-  
22 termination that is the subject of the requested  
23 independent examination review;

24 “(B) state the reasons why the institution  
25 believes that the material supervisory determina-

1            *tion is incorrect or should otherwise be modified;*

2            *and*

3            *“(C) include—*

4                    *“(i) a clear and complete statement of*  
5                    *all relevant facts and issues;*

6                    *“(ii) all arguments that the institution*  
7                    *wishes to present; and*

8                    *“(iii) all relevant and material docu-*  
9                    *ments in the possession of the institution*  
10                   *that the institution wishes to be considered.*

11            *“(4) INFORMATION MADE AVAILABLE TO INSTITU-*  
12            *TION.—An institution seeking an appeal of a mate-*  
13            *rial supervisory determination may, not later than 7*  
14            *days after receiving the final examination report, re-*  
15            *quest that the Federal financial institutions regu-*  
16            *latory agency that made the material supervisory de-*  
17            *termination provide the institution with all examina-*  
18            *tion and factual information relied upon by the agen-*  
19            *cy in making the material supervisory determination.*  
20            *The agency shall provide that information to the in-*  
21            *stitution not later than 14 days after receiving the re-*  
22            *quest.*

23            *“(c) DETERMINATION; RIGHT TO HEARING.—*

24                    *“(1) IN GENERAL.—The Board shall—*

1           “(A) determine the merits of the appeal on  
2           the record, including whether the material super-  
3           visory determination being appealed should be  
4           upheld, canceled, or modified; or

5           “(B) at the election of the financial institu-  
6           tion, conduct a hearing, which shall take place  
7           not later than 60 days after the petition for re-  
8           view is received by the Board.

9           “(2) *RIGHT TO OBTAIN TESTIMONY.*—A financial  
10          institution electing for a hearing under paragraph  
11          (1)(B) shall have the right the obtain testimony under  
12          oath from agency employees and obtain documents  
13          and other evidence at the hearing, or in advance of  
14          the hearing, according to procedures instituted by the  
15          Board consistent with those set forth under sections  
16          556 and 557 of title 5, United States Code.

17          “(3) *BASIS OF DECISION.*—The Board shall issue  
18          a written decision based upon the record of the exam-  
19          ination, supplemented by the record established at  
20          any hearing.

21          “(4) *STANDARD OF REVIEW.*—The Board’s re-  
22          view of a material supervisory determination being  
23          appealed under this subsection shall be *de novo*, and  
24          the Board shall not defer to the opinions of the exam-  
25          iner or agency, but shall independently determine the

1       *appropriateness of the agency’s material supervisory*  
2       *determination based upon the relevant statutes, regu-*  
3       *lations, other appropriate guidance, and the evi-*  
4       *dentiary record.*

5       “(d) *FINAL DECISION.*—*A decision by the Board on*  
6       *an independent review under this section shall—*

7               “(1) *be made not later than 60 days after the*  
8       *record has been closed; and*

9               “(2) *be deemed final agency action and shall*  
10       *bind the agency whose supervisory determination was*  
11       *the subject of the review and the financial institution*  
12       *requesting the review.*

13       “(e) *RIGHT TO JUDICIAL REVIEW.*—*A financial insti-*  
14       *tution shall have the right to petition for review of a Board*  
15       *determination made under subsection (d) by filing a peti-*  
16       *tion for review not later than 60 days after the date on*  
17       *which the decision is made in the United States Court of*  
18       *Appeals for the District of Columbia Circuit or the Circuit*  
19       *in which the financial institution is located.*

20       “(f) *REFERRAL OF VIOLATIONS.*—*If the Board, in car-*  
21       *rying out this section, determines that a financial institu-*  
22       *tion has violated a law or regulation, the Board shall refer*  
23       *such determination to the applicable Federal financial in-*  
24       *stitutions regulatory agency.*

25       “(g) *ANNUAL REPORT.*—

1           “(1) *IN GENERAL.*—*The Board shall report an-*  
2           *nually to the Committee on Financial Services of the*  
3           *House of Representatives, the Committee on Banking,*  
4           *Housing, and Urban Affairs of the Senate, and the*  
5           *Council on actions taken under this section, including*  
6           *the types of issues that the Board has reviewed and*  
7           *the results of those reviews, including information on*  
8           *each final determination with respect to a material*  
9           *supervisory determination.*

10           “(2) *CONFIDENTIALITY.*—*In reporting under*  
11           *paragraph (1), the Board shall redact information*  
12           *about individual financial institutions and any con-*  
13           *fidential or privileged information shared by finan-*  
14           *cial institutions, and shall anonymize any un-re-*  
15           *dacted information that could, in the aggregate, iden-*  
16           *tify a financial institution.*

17           “(h) *RETALIATION PROHIBITED.*—

18           “(1) *IN GENERAL.*—*A Federal financial institu-*  
19           *tions regulatory agency may not—*

20                   “(A) *retaliate against a financial institu-*  
21                   *tion, including service providers, or any institu-*  
22                   *tion-affiliated party, for exercising appellate*  
23                   *rights under this section; or*

24                   “(B) *delay or deny any agency action that*  
25                   *would benefit a financial institution or any in-*

1            *stitution-affiliated party on the basis that an ap-*  
2            *peal under this section is pending under this sec-*  
3            *tion.*

4            “(2) *RETALIATION.*—*For purposes of this sub-*  
5            *section, retaliation includes delaying consideration of,*  
6            *or withholding approval of, any request, notice, or*  
7            *application that otherwise would have been approved,*  
8            *but for the exercise of a financial institution’s rights*  
9            *under this section.*

10          “(i) *RULEMAKING.*—*The Board shall issue rules to es-*  
11          *tablish procedures for hearings described under this section,*  
12          *including that—*

13                  “(1) *a financial institution may appear at the*  
14                  *hearing personally or through counsel;*

15                  “(2) *a financial institution may provide an oral*  
16                  *and written presentation at the hearing;*

17                  “(3) *the Board may ask questions of any person*  
18                  *participating in the hearing;*

19                  “(4) *the hearing may not involve—*

20                          “(A) *a cross-examination; or*

21                          “(B) *discovery;*

22                  “(5) *the hearing shall not be governed by the*  
23                  *Federal Rules of Evidence; and*

24                  “(6) *the Board shall have a verbatim transcript*  
25                  *of the hearing prepared.*

1           “(j) *SAFETY AND SOUNDNESS EXCEPTION.*—*The ap-*  
 2 *peal of a material supervisory determination by a financial*  
 3 *institution under this section shall not affect the authority*  
 4 *of a Federal financial institutions regulatory agency to en-*  
 5 *force the material supervisory determination or to take an*  
 6 *action based on such material supervisory determination,*  
 7 *if the Federal financial institutions regulatory agency de-*  
 8 *termines that such enforcement or action is necessary to en-*  
 9 *sure the safety and soundness of the financial institution.”.*

10 **SEC. 6. ADDITIONAL AMENDMENTS.**

11           (a) *REGULATOR APPEALS PROCESS, OMBUDSMAN,*  
 12 *AND ALTERNATIVE DISPUTE RESOLUTION.*—

13           (1) *IN GENERAL.*—*Section 309 of the Riegle*  
 14 *Community Development and Regulatory Improve-*  
 15 *ment Act of 1994 (12 U.S.C. 4806) is amended—*

16           (A) *in the heading, by striking “REGU-*  
 17 ***LATORY APPEALS PROCESS, OMBUDSMAN,***  
 18 *and inserting “OMBUDSMAN” (and by con-*  
 19 *forming the item relating to such section in the*  
 20 *table of contents accordingly);*

21           (B) *by striking subsections (a), (b), and (c);*

22           (C) *by redesignating subsections (d), (e), (f),*  
 23 *and (g) as subsections (a), (b), (c), and (d), re-*  
 24 *spectively;*

25           (D) *in subsection (b), as so redesignated—*

1 (i) in paragraph (2)—

2 (I) in subparagraph (B), by strik-  
3 ing “and” at the end;

4 (II) in subparagraph (C), by  
5 striking the period and inserting “;  
6 and”; and

7 (III) by adding at the end the fol-  
8 lowing:

9 “(D) ensure that appropriate safeguards  
10 exist for protecting any party from retaliation  
11 by any agency for exercising rights under this  
12 subsection.”; and

13 (ii) by adding at the end the following:

14 “(6) *RETALIATION.*—For purposes of this sub-  
15 section, retaliation includes delaying consideration of,  
16 or withholding approval of, any request, notice, or  
17 application that otherwise would have been approved,  
18 but for the exercise of a financial institution’s rights  
19 under this section.”; and

20 (E) in paragraph (1)(A) of subsection (c),  
21 as so redesignated—

22 (i) in clause (ii), by striking “; and”  
23 and inserting a semicolon;

24 (ii) in clause (iii), by striking “; and”  
25 and inserting a semicolon; and

1                   (iii) by adding at the end the fol-  
2                   lowing:

3                   “(iv) any issue specifically listed in an  
4                   exam report as a matter requiring attention  
5                   by the institution’s management or board of  
6                   directors; and

7                   “(v) any suspension or removal of an  
8                   institution’s status as eligible for expedited  
9                   processing of applications, requests, notices,  
10                  or filings on the grounds of a supervisory or  
11                  compliance concern, regardless of whether  
12                  that concern has been cited as a basis for a  
13                  material supervisory determination or mat-  
14                  ter requiring attention in an examination  
15                  report, provided that the conduct at issue  
16                  did not involve violation of any criminal  
17                  law; and”.

18                  (2) *EFFECT.*—Nothing in this subsection affects  
19                  the authority of an appropriate Federal banking  
20                  agency or the National Credit Union Administration  
21                  Board to take enforcement or other supervisory ac-  
22                  tion.

23                  (b) *FEDERAL CREDIT UNION ACT.*—Section 205(j) of  
24                  the Federal Credit Union Act (12 U.S.C. 1785(j)) is amend-  
25                  ed by inserting “the Bureau of Consumer Financial Protec-

1 tion,” before “the Administration” each place that term ap-  
2 pears.

3 (c) *FEDERAL FINANCIAL INSTITUTIONS EXAMINATION*  
4 *COUNCIL ACT.*—*The Federal Financial Institutions Exam-*  
5 *ination Council Act of 1978 (12 U.S.C. 3301 et seq.), as*  
6 *amended by sections 2 through 4 of this Act, is further*  
7 *amended—*

8 (1) *in section 1003 (12 U.S.C. 3302)—*

9 (A) *by striking paragraph (1) and inserting*  
10 *the following:*

11 “(1) *the term ‘Federal financial institutions reg-*  
12 *ulatory agencies’—*

13 “(A) *means the Office of the Comptroller of*  
14 *the Currency, the Board of Governors of the Fed-*  
15 *eral Reserve System, the Federal Deposit Insur-*  
16 *ance Corporation, and the National Credit*  
17 *Union Administration; and*

18 “(B) *includes the Bureau of Consumer Fi-*  
19 *ancial Protection for purposes of sections 1012*  
20 *through 1015;”;* and

21 (B) *in paragraph (3), by striking the semi-*  
22 *colon at the end and inserting “, except that for*  
23 *purposes of sections 1012 through 1015, the term*  
24 *‘financial institution’ does not include a credit*  
25 *union that is not an insured credit union;”;*

1           (2) *in section 1004(a)(4) (12 U.S.C. 3303), by*  
2           *striking “Consumer Financial Protection Bureau”*  
3           *and inserting “Bureau of Consumer Financial Pro-*  
4           *tection”; and*

5           (3) *in section 1005 (12 U.S.C. 3304)—*

6                     (A) *by striking “One-fifth” and inserting*  
7                     *“One-fourth”; and*

8                     (B) *by inserting “described under section*  
9                     *1003(1)(A)” after “agencies”.*

Union Calendar No. 176

119<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**H. R. 940**

[Report No. 119-216]

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## **A BILL**

To amend the Federal Financial Institutions Examination Council Act of 1978 to improve the examination of depository institutions, and for other purposes.

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JULY 25, 2025

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed