

117TH CONGRESS
2D SESSION

S. 3716

To require Federal financial regulators to create a publicly available database for certain bad actors, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 1, 2022

Mr. KENNEDY (for himself and Ms. LUMMIS) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require Federal financial regulators to create a publicly available database for certain bad actors, 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 “Tracking Bad Actors
5 Act of 2022”.

6 **SEC. 2. DEFINITION.**

7 In this Act, the term “Federal financial regulator”
8 means—

- 1 (1) the Commodity Futures Trading Commis-
2 sion;
- 3 (2) the Securities and Exchange Commission;
- 4 (3) the Office of the Comptroller of the Cur-
5 rency;
- 6 (4) the Federal Deposit Insurance Corporation;
- 7 (5) the Financial Industry Regulatory Agency;
- 8 and
- 9 (6) the Public Company Accounting Oversight
10 Board.

11 **SEC. 3. DATABASE.**

12 (a) IN GENERAL.—Not later than 3 years after the
13 date of enactment of this Act, the Federal financial regu-
14 lators shall jointly establish a publicly available database
15 of persons convicted or held liable in criminal, civil, and
16 administrative actions relating to financial services
17 brought by—

- 18 (1) any Federal financial regulator, to the
19 greatest extent practicable;
- 20 (2) the Department of Justice;
- 21 (3) any self-regulatory organization or similar
22 entity overseen by a Federal financial regulator if
23 required by such regulator; or

1 (4) any State or local criminal or regulatory
2 agency that voluntarily submits information to the
3 database.

4 (b) OVERSIGHT.—The Securities and Exchange Com-
5 mission shall be the lead agency responsible for oversight
6 of the database established under subsection (a).

7 (c) FREE ACCESS.—The information in the database
8 established under subsection (a) shall be free of charge
9 to the public.

10 (d) OPERATION.—The database established under
11 subsection (a) shall be operated by a Federal agency or
12 maintained by a third party.

13 (e) EXPUNGEMENT.—Any agency who submits infor-
14 mation to the database under subsection (a) shall expunge
15 any enforcement action brought by the agency if the action
16 is—

17 (1) overturned upon judicial review; or

18 (2) withdrawn by the agency.

19 (f) REPORTS.—

20 (1) FEDERAL FINANCIAL REGULATORS.—The
21 Federal financial regulators shall jointly submit to
22 Congress an annual report on the database during
23 the period beginning on the date of enactment of
24 this Act and ending on the date on which the data-
25 base is operational.

1 (2) GAO REPORT.—Not later than 5 years
2 after the date on which the database is operational,
3 the Comptroller General of the United States shall
4 submit to Congress a report on the database.

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