

111TH CONGRESS
1ST SESSION

H. R. 2727

To provide for the implementation of a system under which each financial institution will report on the financial condition of the institution to the public, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 2009

Mr. JONES introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide for the implementation of a system under which each financial institution will report on the financial condition of the institution to the public, 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 “Financial Trans-
5 parency Restoration Act”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds as follows:

1 (1) For approximately 70 years, national banks
2 were required by an Act of Congress to publish
3 statements of condition in newspapers where they
4 “did business”.

5 (2) In 1994, this requirement was repealed by
6 an Act of Congress with no public hearing or expla-
7 nation.

8 (3) The public ought to have access to the
9 statements of financial condition of all financial in-
10 stitutions.

11 **SEC. 3. RESTORATION OF FINANCIAL TRANSPARENCY.**

12 (a) DEFINITIONS.—For purposes of this Act, the fol-
13 lowing definitions shall apply:

14 (1) FEDERAL FUNCTIONAL REGULATOR.—The
15 term “Federal functional regulator” has the same
16 meaning as in section 509(2) of the Gramm-Leach-
17 Bliley Act, except that such term includes—

18 (A) the Commodity Futures Trading Com-
19 mission, with regard to any person or entity de-
20 scribed in section 509(3)(B) of such Act; and

21 (B) the Board of Governors of the Federal
22 Reserve System, with regard to any financial
23 institution which does not otherwise have a
24 Federal functional regulator under section
25 509(2) of such Act.

1 (2) FINANCIAL INSTITUTION.—The term “fi-
2 nancial institution” has the same meaning as in sec-
3 tion 509(3) of the Gramm-Leach-Bliley Act, without
4 regard to any exclusions under any subparagraph of
5 such section.

6 (b) PUBLICATION OF A STATEMENT OF CONDITION
7 REQUIRED.—Within 30 days after the end of each fiscal
8 quarter of any financial institution, the financial institu-
9 tion shall publish a statement of financial condition of the
10 financial institution in a newspaper of general paid cir-
11 culation published in a city or county within each market
12 area in which the financial institution is located, or if no
13 newspaper of general paid circulation is published in such
14 city or county, then the newspaper of general paid circula-
15 tion published nearest such city or county.

16 (c) OATH OR AFFIRMATION OF PRESIDENT OR DES-
17 IGNATED OFFICER.—Each publication by a financial insti-
18 tution of a statement of financial condition in accordance
19 with subsection (b) shall include a written verification of
20 the accuracy of the statement, under oath or by affirma-
21 tion, by the president of the financial institution or an-
22 other officer designated by the board of directors of such
23 institution.

24 (d) FORM.—In accordance with the joint regulations
25 prescribed under subsection (e), the Federal functional

1 regulator for any type of financial institution shall pre-
2 scribe the form and content of the statement of financial
3 condition for such type of institution.

4 (e) REGULATIONS.—The Federal functional regu-
5 lators shall jointly prescribe regulations appropriate to
6 carry out the requirements of this section and ensure com-
7 pliance with such requirements.

8 (f) EFFECTIVE DATE.—This section shall apply so as
9 to require each financial institution to publish a written
10 statement of financial condition after the end of each fiscal
11 quarter of the institution that begins not less than 30 days
12 after the date of the enactment of this Act.

○