

112TH CONGRESS
2D SESSION

H. R. 4963

To address the concept of “Too Big To Fail” with respect to certain financial entities.

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2012

Mr. SHERMAN (for himself and Mr. HINCHEY) introduced the following bill;
which was referred to the Committee on Financial Services

A BILL

To address the concept of “Too Big To Fail” with respect
to certain financial entities.

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 “Too Big to Fail, Too
5 Big to Exist Act”.

6 **SEC. 2. REPORT TO CONGRESS ON INSTITUTIONS THAT**
7 **ARE TOO BIG TO FAIL.**

8 Notwithstanding any other provision of law, not later
9 than 90 days after the date of enactment of this Act, the
10 Secretary of the Treasury shall submit to Congress a list

1 of all commercial banks, investment banks, hedge funds,
2 and insurance companies that the Secretary believes are
3 too big to fail (in this Act referred to as the “Too Big
4 to Fail List”).

5 **SEC. 3. BREAKING-UP TOO BIG TO FAIL INSTITUTIONS.**

6 Notwithstanding any other provision of law, begin-
7 ning 1 year after the date of the enactment of this Act,
8 the Secretary of the Treasury shall break up entities in-
9 cluded on the Too Big To Fail List, so that their failure
10 would no longer cause a catastrophic effect on the United
11 States or global economy without a taxpayer bailout.

12 **SEC. 4. DEFINITION.**

13 For purposes of this Act, the term “Too Big to Fail”
14 means any entity that has grown so large that its failure
15 would have a catastrophic effect on the stability of either
16 the financial system or the United States economy without
17 substantial Government assistance.

○