

113TH CONGRESS
1ST SESSION

S. 685

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

IN THE SENATE OF THE UNITED STATES

APRIL 9, 2013

Mr. SANDERS introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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, which shall include, but is not limited to,
4 any United States bank holding companies that have been
5 identified as systemically important banks by the Finan-
6 cial Stability Board (in this Act referred to as the “Too
7 Big to Fail List”).

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

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

15 **SEC. 4. DEFINITION.**

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

