

114TH CONGRESS
1ST SESSION

S. 107

To amend the Financial Stability Act of 2010 to repeal certain designation authority of the Financial Stability Oversight Council, to repeal the Payment, Clearing, and Settlement Supervision Act of 2010, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 7, 2015

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

A BILL

To amend the Financial Stability Act of 2010 to repeal certain designation authority of the Financial Stability Oversight Council, to repeal the Payment, Clearing, and Settlement Supervision Act of 2010, 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 “Terminating the Ex-
5 pansion of Too-Big-To-Fail Act of 2015”.

1 **SEC. 2. REPEAL OF DESIGNATION AUTHORITY UNDER THE**
 2 **FINANCIAL STABILITY ACT OF 2010 AND THE**
 3 **DODD-FRANK WALL STREET REFORM AND**
 4 **CONSUMER PROTECTION ACT.**

5 (a) FINANCIAL STABILITY ACT OF 2010.—The Fi-
 6 nancial Stability Act of 2010 (12 U.S.C. 5311 et seq.)
 7 is amended—

8 (1) in section 102 (12 U.S.C. 5311)—

9 (A) in subsection (a)—

10 (i) by striking paragraph (4);

11 (ii) by redesignating paragraphs (5)
 12 through (7) as paragraphs (4) through (6),
 13 respectively; and

14 (iii) by striking paragraph (6) (as re-
 15 designated) and inserting the following:

16 “(6) SIGNIFICANT BANK HOLDING COMPANY.—
 17 The term ‘significant bank holding company’ has the
 18 meanings given to it by rule of the Board of Gov-
 19 ernors.”;

20 and

21 (B) by striking subsection (c);

22 (2) in section 112 (12 U.S.C. 5322)—

23 (A) in subsection (a)—

24 (i) in paragraph (1)(A), by striking
 25 “or nonbank financial companies”; and

26 (ii) in paragraph (2)—

1 (I) in subparagraph (A), by striking
 2 ing “and nonbank financial compa-
 3 nies”;

4 (II) by striking subparagraphs
 5 (H) and (J);

6 (III) by redesignating subpara-
 7 graphs (I), (K), (L), (M), and (N) as
 8 subparagraphs (H), (I), (J), (K), and
 9 (L), respectively;

10 (IV) in subparagraph (H) (as re-
 11 designated), by striking “nonbank fi-
 12 nancial companies and”;

13 (V) in subparagraph (I), as so re-
 14 designated, by striking “, nonbank fi-
 15 nancial companies,”; and

16 (VI) in subparagraph (L), as so
 17 redesignated—

18 (aa) by striking clause (iv);

19 and

20 (bb) by redesignating
 21 clauses (v) and (vi) as clauses
 22 (iv) and (v), respectively; and

23 (B) in subsection (d)—

24 (i) in paragraph (3)—

1 (I) in subparagraph (A), by strik-
 2 ing “nonbank financial company or”
 3 each place the term appears;

4 (II) in subparagraph (B), by
 5 striking “nonbank financial company
 6 or”; and

7 (III) in subparagraph (C), by
 8 striking “foreign nonbank financial
 9 company or”;

10 (ii) by striking paragraph (4); and

11 (iii) by redesignating paragraph (5) as
 12 paragraph (4);

13 (3) by striking sections 113 (12 U.S.C. 5323),
 14 114 (12 U.S.C. 5324), 161 (12 U.S.C. 5361), 162
 15 (12 U.S.C. 5362), 164 (12 U.S.C. 5364), 167 (12
 16 U.S.C. 5367), and 170 (12 U.S.C. 5370);

17 (4) in section 115 (12 U.S.C. 5325)—

18 (A) in the section heading, by striking
 19 **“NONBANK FINANCIAL COMPANIES SUPER-**
 20 **ISED BY THE BOARD OF GOVERNORS**
 21 **AND”**;

22 (B) in subsection (a)(1)—

23 (i) by striking “nonbank financial
 24 companies supervised by the Board of Gov-
 25 ernors and”; and

1 (ii) in subparagraph (A), by striking
 2 “nonbank financial companies and”;

3 (C) in subsection (b)—

4 (i) in paragraph (2)—

5 (I) in the paragraph heading, by
 6 striking “FINANCIAL COMPANIES” and
 7 inserting “BANK HOLDING COMPA-
 8 NIES”;

9 (II) by striking “foreign nonbank
 10 financial companies supervised by the
 11 Board of Governors or”; and

12 (III) in subparagraph (B), by
 13 striking “foreign nonbank financial
 14 company or”; and

15 (ii) in paragraph (3)—

16 (I) in subparagraph (A)—

17 (aa) by striking “nonbank
 18 financial companies supervised by
 19 the Board of Governors and”;
 20 and

21 (bb) in clause (i), by insert-
 22 ing “(as in effect on the day be-
 23 fore the date of the enactment of
 24 the Terminating the Expansion

1 of Too-Big-To-Fail Act of 2015)”

2 before the semicolon; and

3 (II) in subparagraph (B), by in-
 4 serting “(as in effect on the day be-
 5 fore the date of the enactment of the
 6 Terminating the Expansion of Too-
 7 Big-To-Fail Act of 2015)” after “sec-
 8 tion 113”;

9 (D) in subsection (c)—

10 (i) in paragraph (1), by striking
 11 “nonbank financial companies supervised
 12 by the Board of Governors and”; and

13 (ii) in paragraph (3)—

14 (I) in subparagraph (A), by strik-
 15 ing “any nonbank financial company
 16 supervised by the Board of Governors
 17 and”; and

18 (II) in subparagraph (B)(iii), by
 19 striking “a nonbank financial com-
 20 pany supervised by the Board of Gov-
 21 ernors or”;

22 (E) in subsection (d)—

23 (i) in paragraph (1), by striking “each
 24 nonbank financial company supervised by
 25 the Board of Governors and”; and

1 (ii) in paragraph (2)—

2 (I) by striking “nonbank finan-
3 cial company supervised by the Board
4 of Governors and”; and

5 (II) by striking “significant
6 nonbank financial companies and”
7 each place the term appears;

8 (F) in subsection (e), by striking “nonbank
9 financial companies supervised by the Board of
10 Governors or”;

11 (G) in subsection (f), by striking “and by
12 nonbank financial companies supervised by the
13 Board of Governors”; and

14 (H) in subsection (g), by striking “,
15 nonbank financial companies supervised by the
16 Board of Governors,”;

17 (5) in section 116 (12 U.S.C. 5326)—

18 (A) in subsection (a), by striking “or a
19 nonbank financial company supervised by the
20 Board of Governors”; and

21 (B) in subsection (b)—

22 (i) in paragraph (1)(A), by striking “,
23 nonbank financial company supervised by
24 the Board of Governors,”; and

1 (ii) in paragraph (2), by striking “and
 2 nonbank financial company supervised by
 3 the Board of Governors”;

4 (6) in section 117 (12 U.S.C. 5327)—

5 (A) in subsection (b), by striking “such en-
 6 tity shall be treated as a nonbank financial
 7 company supervised by the Board of Governors,
 8 as if the Council had made a determination
 9 under section 113 with respect to that entity”
 10 and inserting “for purposes of this title, such
 11 entity shall be treated as a bank holding com-
 12 pany with total consolidated assets of
 13 \$50,000,000,000”; and

14 (B) in subsection (c)—

15 (i) in paragraph (1), by striking “a
 16 nonbank financial company supervised by
 17 the Board of Governors” and inserting “a
 18 bank holding company with total consoli-
 19 dated assets of \$50,000,000,000”; and

20 (ii) in paragraph (2), by striking sub-
 21 paragraph (C);

22 (7) in section 119(a)(1) (12 U.S.C.
 23 5329(a)(1)), by striking “, nonbank financial com-
 24 pany,”;

25 (8) in section 120 (12 U.S.C. 5330)—

1 (A) in subsection (a)—

2 (i) by striking “or nonbank financial
3 companies”; and

4 (ii) by striking “and nonbank finan-
5 cial companies”; and

6 (B) in subsection (d)—

7 (i) in paragraph (1), by adding “and”
8 at the end;

9 (ii) in paragraph (2), by striking “;
10 and” and inserting a period; and

11 (iii) by striking paragraph (3);

12 (9) in section 121 (12 U.S.C. 5331)—

13 (A) in subsection (a), by striking “, or a
14 nonbank financial company supervised by the
15 Board of Governors,”;

16 (B) in subsection (c), by inserting “(as in
17 effect on the day before the date of the enact-
18 ment of the Terminating the Expansion of Too-
19 Big-To-Fail Act of 2015)” after “section 113”;
20 and

21 (C) in subsection (d)—

22 (i) in the heading, by striking “FOR-
23 EIGN FINANCIAL COMPANIES” and insert-
24 ing “FOREIGN-BASED BANK HOLDING
25 COMPANIES”;

1 (ii) in the matter preceding paragraph
 2 (1), by striking “foreign nonbank financial
 3 companies supervised by the Board of Gov-
 4 ernors and”; and

5 (iii) by striking paragraph (2) and in-
 6 serting the following:

7 “(2) taking into account the extent to which the
 8 foreign-based bank holding company is subject on a
 9 consolidated basis to home country standards that
 10 are comparable to those applied to bank holding
 11 companies in the United States.”;

12 (10) in the heading for subtitle C, by striking
 13 **“Certain Nonbank Financial Companies**
 14 **and”**;

15 (11) in section 155(d) (12 U.S.C. 5345(d)), by
 16 striking “and nonbank financial companies super-
 17 vised by the Board of Governors”;

18 (12) in section 163 (12 U.S.C. 5363)—

19 (A) by striking subsection (a);

20 (B) by redesignating subsection (b) as sub-
 21 section (a); and

22 (C) in subsection (a), as so redesignated,
 23 by striking “or a nonbank financial company
 24 supervised by the Board of Governors” each
 25 place the term appears;

1 (13) in section 165 (12 U.S.C. 5365)—

2 (A) in the section heading, by striking
3 **“NONBANK FINANCIAL COMPANIES SUPER-**
4 **ISED BY THE BOARD OF GOVERNORS**
5 **AND”**;

6 (B) in subsection (a)(1)—

7 (i) by striking “nonbank financial
8 companies supervised by the Board of Gov-
9 ernors and”; and

10 (ii) in subparagraph (A), by striking
11 “nonbank financial companies and”;

12 (C) in subsection (b)—

13 (i) in paragraph (1), by striking
14 “nonbank financial companies supervised
15 by the Board of Governors and” each place
16 the term appears;

17 (ii) in paragraph (2)—

18 (I) in the paragraph heading, by
19 striking “FOREIGN FINANCIAL COMPA-
20 NIES” and inserting “FOREIGN-BASED
21 BANK HOLDING COMPANIES”;

22 (II) by striking “foreign nonbank
23 financial company supervised by the
24 Board of Governors or”; and

25 (III) in subparagraph (B)—

1 (aa) by striking “foreign fi-
2 nancial company” and inserting
3 “foreign-based bank holding com-
4 pany”; and

5 (bb) by striking “financial
6 companies” and inserting “bank
7 holding companies”;

8 (iii) in paragraph (3)—

9 (I) by inserting “(as in effect on
10 the day before the date of the enact-
11 ment of the Terminating the Expan-
12 sion of Too-Big-To-Fail Act of 2015)”
13 after “section 113” each place the
14 term appears; and

15 (II) in subparagraph (A), by
16 striking “nonbank financial companies
17 supervised by the Board of Governors
18 and”; and

19 (iv) in paragraph (4), by striking “a
20 nonbank financial company supervised by
21 the Board of Governors or”;

22 (D) in subsection (c)—

23 (i) in paragraph (1)—

1 (I) by striking “nonbank finan-
 2 cial company supervised by the Board
 3 of Governors and”; and

4 (II) by striking “bank holding
 5 companies” and inserting “bank hold-
 6 ing company”; and

7 (ii) in paragraph (2)(D), by striking
 8 “nonbank financial company supervised by
 9 the Board of Governors or a”;

10 (E) in subsection (d)—

11 (i) by striking “nonbank financial
 12 company supervised by the Board of Gov-
 13 ernors and” each place the term appears;

14 (ii) in paragraph (1), by striking
 15 “bank holding companies” and inserting
 16 “bank holding company”;

17 (iii) in paragraph (2)—

18 (I) by striking “significant
 19 nonbank financial companies and”
 20 each place the term appears; and

21 (II) by striking “bank holding
 22 companies” and inserting “bank hold-
 23 ing company”;

1 (iv) in paragraph (4), by striking “a
2 nonbank financial company supervised by
3 the Board of Governors or”;

4 (v) in paragraph (5), by striking “a
5 nonbank financial company supervised by
6 the Board of Governors or” each place the
7 term appears; and

8 (vi) in paragraph (6), by striking “the
9 nonbank financial company supervised by
10 the Board, any bank holding company, or
11 any subsidiary or affiliate of the foregoing”
12 and inserting “any bank holding company
13 or any subsidiary or affiliate of the bank
14 holding company”;

15 (F) in subsection (e)—

16 (i) in paragraph (1), by striking “a
17 nonbank financial company supervised by
18 the Board of Governors or”;

19 (ii) in paragraph (2), by striking
20 “nonbank financial company supervised by
21 the Board of Governors and”;

22 (iii) in paragraph (3), by striking “the
23 nonbank financial company supervised by
24 the Board of Governors or” each place the
25 term appears; and

1 (iv) in paragraph (4), by striking “a
2 nonbank financial company supervised by
3 the Board of Governors or”;

4 (G) in subsection (f), by striking “nonbank
5 financial companies supervised by the Board of
6 Governors and”;

7 (H) in subsection (g)(1), by striking “and
8 any nonbank financial company supervised by
9 the Board of Governors”;

10 (I) in subsection (h)—

11 (i) by striking paragraph (1);

12 (ii) by redesignating paragraphs (2)
13 and (3) as paragraphs (1) and (2), respec-
14 tively;

15 (iii) in paragraph (1) (as redesign-
16 nated), by striking “paragraph (3)” each
17 place the term appears and inserting
18 “paragraph (2)”; and

19 (iv) in paragraph (2) (as redesign-
20 nated), by striking “nonbank financial
21 company supervised by the Board of Gov-
22 ernors or” each place the term appears;

23 (J) in subsection (i)—

24 (i) in paragraph (1)—

1 (I) in subparagraph (A), by striking
 2 ing “nonbank financial companies su-
 3 pervised by the Board of Governors
 4 and”; and

5 (II) in subparagraph (B), by
 6 striking “and nonbank financial com-
 7 panies”; and

8 (ii) in paragraph (2)(A), by striking
 9 “nonbank financial company supervised by
 10 the Board of Governors and a”;

11 (K) in subsection (j)—

12 (i) in paragraph (1), by striking “or a
 13 nonbank financial company supervised by
 14 the Board of Governors”; and

15 (ii) in paragraph (2), by inserting
 16 “(as in effect on the day before the date of
 17 the enactment of the Terminating the Ex-
 18 pansion of Too-Big-To-Fail Act of 2015)”
 19 after “section 113”; and

20 (L) in subsection (k)(1), by striking “or
 21 nonbank financial company supervised by the
 22 Board of Governors”;

23 (14) in section 166 (12 U.S.C. 5366), by strik-
 24 ing “a nonbank financial company supervised by the

1 Board of Governors or” each place the term ap-
 2 pears;

3 (15) in section 169 (12 U.S.C. 5369), by strik-
 4 ing “and nonbank financial companies”; and

5 (16) in section 171(b) (12 U.S.C. 5371(b))—

6 (A) by striking “, depository institution
 7 holding companies, and nonbank financial com-
 8 panies supervised by the Board of Governors”
 9 each place the term appears and inserting “and
 10 depository institution holding companies”;

11 (B) in paragraph (3)—

12 (i) by striking “or nonbank financial
 13 companies supervised by the Board of Gov-
 14 ernors”; and

15 (ii) by striking “or the primary finan-
 16 cial regulatory agency in the case of
 17 nonbank financial companies supervised by
 18 the Board of Governors”; and

19 (C) in paragraph (4)—

20 (i) by striking “or by nonbank finan-
 21 cial companies supervised by the Board of
 22 Governors” each place the term appears;
 23 and

24 (ii) in subparagraph (D), by adding a
 25 period at the end.

1 (b) DODD-FRANK WALL STREET REFORM AND CON-
 2 SUMER PROTECTION ACT.—Sections 216 and 217 of the
 3 Dodd-Frank Wall Street Reform and Consumer Protec-
 4 tion Act (Public Law 111–203; 124 Stat. 1519) are re-
 5 pealed.

6 (c) CONFORMING AMENDMENTS.—

7 (1) BANK HOLDING COMPANY ACT OF 1956.—
 8 The Bank Holding Company Act of 1956 (12 U.S.C.
 9 1841 et seq.) is amended—

10 (A) in section 13 (12 U.S.C. 1851)—

11 (i) in subsection (a), by striking para-
 12 graph (2);

13 (ii) in subsection (b)(2)(B)—

14 (I) in clause (i)(II), by striking “,
 15 any nonbank financial company super-
 16 vised by the Board”; and

17 (II) in clause (ii), by striking
 18 “and nonbank financial companies su-
 19 pervised by the Board”;

20 (iii) in subsection (c)(2)—

21 (I) by striking “or nonbank fi-
 22 nancial company supervised by the
 23 Board”; and

24 (II) by striking “or 2 years after
 25 the date on which the entity or com-

1 pany becomes a nonbank financial
2 company supervised by the Board”;

3 (iv) in subsection (e)(2), by striking
4 “or nonbank financial company supervised
5 by the Board” each place the term ap-
6 pears;

7 (v) in subsection (g), by striking “or
8 nonbank financial company supervised by
9 the Board” each place the term appears;
10 and

11 (vi) in subsection (h)—

12 (I) by striking paragraph (3);

13 (II) by redesignating paragraphs
14 (4) through (7) as paragraphs (3)
15 through (6), respectively; and

16 (III) in paragraph (3), as so re-
17 designated, by striking “or nonbank
18 financial company supervised by the
19 Board” each place the term appears;
20 and

21 (B) in section 14(a) (12 U.S.C.
22 1852(a))—

23 (i) in paragraph (2)—

24 (I) by striking subparagraph (E);

25 and

1 (II) by redesignating subpara-
 2 graph (F) as subparagraph (E); and
 3 (ii) in paragraph (3)(C), by striking
 4 “or other nonbank financial company su-
 5 pervised by the Board”.

6 (2) DODD-FRANK WALL STREET REFORM AND
 7 CONSUMER PROTECTION ACT.—The Dodd-Frank
 8 Wall Street Reform and Consumer Protection Act
 9 (Public Law 111–203) is amended—

10 (A) in the table of contents in section
 11 1(b)—

12 (i) by striking the items relating to
 13 sections 113, 114, 161, 162, 164, 167,
 14 170, 216, and 217;

15 (ii) in the item relating to section
 16 115, by striking “nonbank financial com-
 17 panies supervised by the Board of Gov-
 18 ernors and”;

19 (iii) in the item relating to subtitle C
 20 of title I, by striking “certain nonbank fi-
 21 nancial companies and”; and

22 (iv) in the item relating to section
 23 165, by striking “nonbank financial com-
 24 panies supervised by the Board of Gov-
 25 ernors and”;

1 (B) in section 201(a) (12 U.S.C.
2 5381(a))—

3 (i) in paragraph (11)(B)—

4 (I) by striking clause (ii); and

5 (II) by redesignating clauses (iii)

6 and (iv) as clauses (ii) and (iii), re-
7 spectively;

8 (ii) by striking paragraphs (14) and
9 (15); and

10 (iii) by redesignating paragraph (16)
11 as paragraph (14);

12 (C) in section 210(o)(1)(A) (12 U.S.C.
13 5390(o)(1)(A)), by striking “and any nonbank
14 financial company supervised by the Board of
15 Governors”;

16 (D) in section 618(a)(4)(B) (12 U.S.C.
17 1850a(a)(4)(B))—

18 (i) by striking clause (i); and

19 (ii) by redesignating clauses (ii)
20 through (vi) as clauses (i) through (v), re-
21 spectively;

22 (E) in section 716(i)(1) (15 U.S.C.
23 8305(i)(1))—

24 (i) by striking subparagraph (B);

1 (ii) by redesignating subparagraph
2 (C) as subparagraph (B); and

3 (iii) in subparagraph (B), as so redes-
4 ignated—

5 (I) in the heading, by striking “,
6 NON-SYSTEMICALLY SIGNIFICANT IN-
7 STITUTIONS NOT SUBJECT TO
8 HEIGHTENED PRUDENTIAL SUPER-
9 VISION AS REGULATED UNDER SEC-
10 TION 113” and inserting “SWAPS EN-
11 TITIES”; and

12 (II) by striking “, non-system-
13 ically significant institutions not sub-
14 ject to heightened prudential super-
15 vision as regulated under section
16 113”;

17 (F) in section 726(a) (15 U.S.C. 8323(a)),
18 by striking “a nonbank financial company (as
19 defined in section 102) supervised by the
20 Board, an affiliate of such a bank holding com-
21 pany or nonbank financial company,” and in-
22 serting “an affiliate of such a bank holding
23 company,”; and

24 (G) in section 765(a) (15 U.S.C. 8343(a)),
25 by striking “a nonbank financial company (as

defined in section 102) supervised by the Board of Governors of the Federal Reserve System, affiliate of such a bank holding company or nonbank financial company,” and inserting “affiliate of such a bank holding company,”.

(3) FEDERAL DEPOSIT INSURANCE ACT.—Section 10(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1820(b)(3)) is amended—

(A) in subparagraph (A)—

(i) by striking “or nonbank financial company supervised by the Board of Governors”; and

(ii) by striking “or of such nonbank financial company supervised by the Board of Governors”; and

(B) in subparagraph (B), by striking “a nonbank financial company supervised by the Board of Governors or”.

(4) FEDERAL RESERVE ACT.—Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended—

(A) by redesignating the second subsection (s), as added by section 318(c) of the Enhancing Financial Institution Safety and Soundness Act of 2010 (124 Stat. 1527), as subsection (t); and

1 (B) in paragraph (2) of subsection (t) (as
2 redesignated)—

3 (i) in subparagraph (A), by striking
4 the semicolon and inserting “; and”;

5 (ii) in subparagraph (B), by striking
6 “; and” and inserting a period; and

7 (iii) by striking subparagraph (C).

8 (5) TITLE 31.—Section 313(c)(1) of title 31,
9 United States Code, is amended—

10 (A) by striking subparagraph (C); and

11 (B) by redesignating subparagraphs (D)
12 through (H) as subparagraphs (C) through (G),
13 respectively.

14 **SEC. 3. REPEAL OF THE PAYMENT, CLEARING, AND SETTLE-**
15 **MENT SUPERVISION ACT OF 2010.**

16 (a) IN GENERAL.—The Payment, Clearing, and Set-
17 tlement Supervision Act of 2010 (12 U.S.C. 5461 et seq.)
18 is repealed.

19 (b) TECHNICAL AND CONFORMING AMENDMENT.—
20 The table of contents in section 1(b) of the Dodd-Frank
21 Wall Street Reform and Consumer Protection Act (Public
22 Law 111–203) is amended by striking—

23 (1) the item relating to title VIII; and

- 1 (2) the items relating to sections 801 through
- 2 814.

