

119TH CONGRESS
2D SESSION

H. R. 3682

IN THE SENATE OF THE UNITED STATES

FEBRUARY 11, 2026

Received; read twice and referred to the Committee on Banking, Housing, and
Urban Affairs

AN ACT

To amend the Financial Stability Act of 2010 to require the Financial Stability Oversight Council to consider alternative approaches before determining that a U.S. nonbank financial company shall be supervised by the Board of Governors of the Federal Reserve System, 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 Stability
5 Oversight Council Improvement Act of 2025”.

6 **SEC. 2. FINANCIAL STABILITY OVERSIGHT COUNCIL.**

7 Section 113 of the Financial Stability Act of 2010
8 (12 U.S.C. 5323) is amended—

9 (1) in subsection (a)—

10 (A) in paragraph (1), by striking “The
11 Council” and inserting “Subject to paragraph
12 (3), the Council”; and

13 (B) by adding at the end the following:

14 “(3) INITIAL DETERMINATION.—The Council
15 may not vote on a proposed determination with re-
16 spect to a U.S. nonbank financial company under
17 paragraph (1) unless the Council first determines, in
18 consultation with the company and the primary fi-
19 nancial regulatory agency with respect to the com-
20 pany, that a different action by the Council or the
21 agency (including the application of new or height-
22 ened standards and safeguards under section 120),
23 or by the company under a written plan that is sub-
24 mitted promptly to the Council, is impracticable or
25 insufficient to mitigate the threat that material fi-

Attest: **KEVIN F. MCCUMBER,**
Clerk.