

118TH CONGRESS  
2D SESSION

# H. R. 8264

To amend the Federal Deposit Insurance Act and the Federal Credit Union Act to improve the timeliness of examination reports and other guidance and to establish panels to oversee appeals from insured depository institutions and insured credit unions of material supervisory determinations, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2024

Mr. BARR introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend the Federal Deposit Insurance Act and the Federal Credit Union Act to improve the timeliness of examination reports and other guidance and to establish panels to oversee appeals from insured depository institutions and insured credit unions of material supervisory determinations, 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 “Bank Supervision Ap-  
5 peals Improvement Act of 2024”.

1 **SEC. 2. TIMELINESS OF EXAMINATIONS AND REQUIRED**  
2 **PERMISSION, REGULATORY, AND REPORTING**  
3 **GUIDANCE.**

4 (a) **EXIT INTERVIEW REQUIREMENT; TIMELINESS**  
5 **OF EXAMINATIONS.—**

6 (1) **INSURED DEPOSITORY INSTITUTIONS.—**Sec-  
7 tion 10(d) of the Federal Deposit Insurance Act (12  
8 U.S.C. 1820(d)) is amended by adding at the end  
9 the following:

10 “(11) **EXAMINATION TIMELINESS.—**The appro-  
11 priate Federal banking agency shall complete any  
12 examination of an insured depository institution  
13 within 270 days of commencing the examination, ex-  
14 cept that such period may be extended by the appro-  
15 priate Federal banking agency by providing written  
16 notice to the insured depository institution describ-  
17 ing with particularity the reasons that a longer pe-  
18 riod is needed.

19 “(12) **EXIT INTERVIEW REQUIREMENT.—**With-  
20 in 30 days of completing an examination, the appro-  
21 priate Federal banking agency shall conduct an exit  
22 interview with the insured depository institution’s  
23 senior management and board of directors.

24 “(13) **TIMELINESS OF EXAMINATION RE-**  
25 **PORTS.—**

1           “(A) FINAL EXAMINATION REPORT.—With  
2           respect to an examination of an insured deposi-  
3           tory institution by an appropriate Federal  
4           banking agency, the appropriate Federal bank-  
5           ing agency shall provide a final examination re-  
6           port to the insured depository institution not  
7           later than 60 days after the later of—

8                   “(i) the exit interview for the exam-  
9                   ination; or

10                   “(ii) the provision of additional infor-  
11                   mation by the insured depository institu-  
12                   tion relating to the examination.

13           “(B) EXAMINATION MATERIALS.—Upon  
14           the request of an insured depository institution,  
15           the appropriate Federal banking agency shall  
16           include with a final examination report an ap-  
17           pendix listing all materials relied upon by the  
18           agency in support of all material supervisory  
19           determinations.

20           “(C) MATERIAL SUPERVISORY DETER-  
21           MINATION DEFINED.—In this paragraph, the  
22           term ‘material supervisory determination’ has  
23           the meaning given such term in section 309(i)  
24           of the Riegle Community Development and  
25           Regulatory Improvement Act of 1994.”.

1           (2) INSURED CREDIT UNIONS.—Section 204 of  
2           the Federal Credit Union Act (12 U.S.C. 1784) is  
3           amended by adding at the end the following:

4           “(h) EXIT INTERVIEW REQUIREMENT; TIMELINESS  
5 OF EXAMINATIONS.—

6           “(1) EXAMINATION TIMELINESS.—The Board  
7           shall complete any examination of an insured credit  
8           union within 270 days of commencing the examina-  
9           tion, except that such period may be extended by the  
10          Board by providing written notice to the insured  
11          credit union describing with particularity the reasons  
12          that a longer period is needed.

13          “(2) EXIT INTERVIEW REQUIREMENT.—Within  
14          30 days of completing an examination, the Board  
15          shall conduct an exit interview with the insured  
16          credit union’s senior management and board of di-  
17          rectors.

18          “(3) TIMELINESS OF EXAMINATION RE-  
19          PORTS.—

20                 “(A) FINAL EXAMINATION REPORT.—With  
21                 respect to an examination of an insured credit  
22                 union, the Board shall provide a final examina-  
23                 tion report to the insured credit union not later  
24                 than 60 days after the later of—

1                   “(i) the exit interview for the exam-  
2                   ination; or

3                   “(ii) the provision of additional infor-  
4                   mation by the insured credit union relating  
5                   to the examination.

6                   “(B) EXAMINATION MATERIALS.—Upon  
7                   the request of an insured credit union, the  
8                   Board shall include with a final examination re-  
9                   port an appendix listing all materials relied  
10                  upon by the Board in support of all material  
11                  supervisory determinations.

12                  “(C) MATERIAL SUPERVISORY DETER-  
13                  MINATION DEFINED.—In this paragraph, the  
14                  term ‘material supervisory determination’ has  
15                  the meaning given such term in section 309(i)  
16                  of the Riegle Community Development and  
17                  Regulatory Improvement Act of 1994.”.

18                  (b) TIMELINESS OF REQUIRED PERMISSION, REGU-  
19                  LATORY, AND REPORTING GUIDANCE.—

20                  (1) INSURED DEPOSITORY INSTITUTIONS.—Sec-  
21                  tion 10 of the Federal Deposit Insurance Act (12  
22                  U.S.C. 1820) is amended by adding at the end the  
23                  following:

24                  “(l) TIMELINESS OF REQUIRED PERMISSION, REGU-  
25                  LATORY, AND REPORTING GUIDANCE.—

1           “(1) REQUEST FOR PERMISSION OR GUID-  
2 ANCE.—An insured depository institution may re-  
3 quest a written determination by the appropriate  
4 Federal banking agency of—

5                   “(A) the agency’s permission to take an  
6 action where permission is mandated by regula-  
7 tion;

8                   “(B) the agency’s interpretation of a law  
9 or regulation; and

10                   “(C) the agency’s interpretation of gen-  
11 erally accepted accounting principles or ac-  
12 counting objectives, standards, and require-  
13 ments under section 37.

14           “(2) CONTENTS OF REQUEST.—A request made  
15 under paragraph (1) shall be in writing and con-  
16 tain—

17                   “(A) the nature of the request;

18                   “(B) applicable facts relating to the mat-  
19 ter;

20                   “(C) applicable law, regulation, or gen-  
21 erally accepted accounting principles relating to  
22 the matter; and

23                   “(D) a summary of the request.

24           “(3) RESPONSE TO REQUEST.—A Federal  
25 banking agency receiving a request under paragraph

1 (1) shall, not later than 30 days after receiving the  
2 request—

3 “(A) provide the insured depository institu-  
4 tion making the request with written notifica-  
5 tion that the agency received the request and  
6 stating whether the request contains the infor-  
7 mation required under paragraph (2); and

8 “(B) if the request does not contain the in-  
9 formation required under paragraph (2), pro-  
10 vide the insured depository institution with an  
11 explanation of what information is missing.

12 “(4) PROVIDING MISSING INFORMATION.—If a  
13 Federal banking agency informs the insured deposi-  
14 tory institution under paragraph (3) that the re-  
15 quest does not contain all the information required  
16 under paragraph (2), the insured depository institu-  
17 tion may provide the missing information to the  
18 Federal banking agency during the 30-day period  
19 beginning on the date the insured depository institu-  
20 tion receives the explanation of the missing informa-  
21 tion under paragraph (3).

22 “(5) DETERMINATION.—A Federal banking  
23 agency receiving a request under paragraph (1) shall  
24 make a determination on the request and provide

1 the insured depository institution with a written no-  
2 tice of such determination—

3 “(A) if the initial request contains the in-  
4 formation required under paragraph (2), not  
5 later than the end of the 60-day period begin-  
6 ning on the date the Federal banking agency  
7 notifies the insured depository institution of the  
8 receipt of the request under paragraph (3); or

9 “(B) if the initial request does not contain  
10 the information required under paragraph (2)—

11 “(i) not later than the end of the 60-  
12 day period beginning on the date that the  
13 insured depository institution provides the  
14 Federal banking agency with the missing  
15 information under paragraph (4); or

16 “(ii) if the insured depository institu-  
17 tion does not provide the Federal banking  
18 agency with the missing information within  
19 the 30-day period described under para-  
20 graph (4), not later than the end of the  
21 60-day period beginning on the end of such  
22 30-day period.

23 “(6) REPORTS AND PUBLICATION.—Each Fed-  
24 eral banking agency shall, within 120 days after  
25 making a determination under paragraph (5), pub-



1       lish a summary of the determination. Each Federal  
2       banking agency shall redact any confidential super-  
3       visory information about the insured depository in-  
4       stitution, any identifying facts about the institution,  
5       and any sensitive personally identifiable informa-  
6       tion.”.

7               (2) INSURED CREDIT UNIONS.—Section 209 of  
8       the Federal Credit Union Act (12 U.S.C. 1789) is  
9       amended by adding at the end the following:

10       “(c) TIMELINESS OF REQUIRED PERMISSION, REGU-  
11       LATORY, AND REPORTING GUIDANCE.—

12               “(1) REQUEST FOR PERMISSION OR GUID-  
13       ANCE.—An insured credit union may request a writ-  
14       ten determination by the Board of—

15                       “(A) the Board’s permission to take an ac-  
16       tion where permission is mandated by regula-  
17       tion;

18                       “(B) the Board’s interpretation of a law or  
19       regulation; and

20                       “(C) the Board’s interpretation of gen-  
21       erally accepted accounting principles or other  
22       accounting objectives, standards, and require-  
23       ments.

1           “(2) CONTENTS OF REQUEST.—A request made  
2 under paragraph (1) shall be in writing and con-  
3 tain—

4                   “(A) the nature of the request;

5                   “(B) applicable facts relating to the mat-  
6 ter;

7                   “(C) applicable law, regulation, or gen-  
8 erally accepted accounting principles relating to  
9 the matter; and

10                   “(D) a summary of the request.

11           “(3) RESPONSE TO REQUEST.—The Board,  
12 upon receiving a request under paragraph (1) shall,  
13 not later than 30 days after receiving the request—

14                   “(A) provide the insured credit union mak-  
15 ing the request with written notification that  
16 the Board received the request and stating  
17 whether the request contains the information  
18 required under paragraph (2); and

19                   “(B) if the request does not contain the in-  
20 formation required under paragraph (2), pro-  
21 vide the insured credit union with an expla-  
22 nation of what information is missing.

23           “(4) PROVIDING MISSING INFORMATION.—If  
24 the Board informs the insured credit union under  
25 paragraph (3) that the request does not contain all

1 the information required under paragraph (2), the  
2 insured credit union may provide the missing infor-  
3 mation to the Board during the 30-day period begin-  
4 ning on the date the insured credit union receives  
5 the explanation of the missing information under  
6 paragraph (3).

7 “(5) DETERMINATION.—The Board shall make  
8 a determination on a request made under paragraph  
9 (1) and provide the insured credit union with a writ-  
10 ten notice of such determination—

11 “(A) if the initial request contains the in-  
12 formation required under paragraph (2), not  
13 later than the end of the 60-day period begin-  
14 ning on the date the Board notifies the insured  
15 credit union of the receipt of the request under  
16 paragraph (3); or

17 “(B) if the initial request does not contain  
18 the information required under paragraph (2)—

19 “(i) not later than the end of the 60-  
20 day period beginning on the date that the  
21 insured credit union provides the Board  
22 with the missing information under para-  
23 graph (4); or

24 “(ii) if the insured credit union does  
25 not provide the Board with the missing in-

1                   formation within the 30-day period de-  
2                   scribed under paragraph (4), not later  
3                   than the end of the 60-day period begin-  
4                   ning on the end of such 30-day period.

5                   “(6) REPORTS AND PUBLICATION.—The Board  
6                   shall, within 120 days after making a determination  
7                   under paragraph (5), publish a summary of the de-  
8                   termination. The Board shall redact any confidential  
9                   supervisory information about the insured credit  
10                  union, any identifying facts about the credit union,  
11                  and any sensitive personally identifiable informa-  
12                  tion.”.

13 **SEC. 3. UPDATE OF INDEPENDENT INTRA-AGENCY APPEL-**  
14 **LATE PROCESS FOR REVIEWING MATERIAL**  
15 **SUPERVISORY DETERMINATIONS.**

16                  (a) UPDATE OF INDEPENDENT INTRA-AGENCY AP-  
17 PELLATE PROCESS.—Not later than 180 days after the  
18 date of enactment of this Act, the Board of Governors of  
19 the Federal Reserve System, the Comptroller of the Cur-  
20 rency, the Federal Deposit Insurance Corporation Board,  
21 and the National Credit Union Administration Board shall  
22 revise the independent intra-agency appellate process re-  
23 quired under section 309(a) of the Riegle Community De-  
24 velopment and Regulatory Improvement Act of 1994 (12  
25 U.S.C. 4806(a)).

1 (b) OFFICE OF SUPERVISORY APPEALS; APPEALS  
2 PROCESS.—Section 309 of the Riegle Community Devel-  
3 opment and Regulatory Improvement Act of 1994 (12  
4 U.S.C. 4806) is amended—

5 (1) by redesignating subsection (f) as sub-  
6 section (i); and

7 (2) by inserting after subsection (e) the fol-  
8 lowing:

9 “(f) OFFICE OF SUPERVISORY APPEALS.—The Fed-  
10 eral banking agencies and the National Credit Union Ad-  
11 ministration shall each establish an Office of Supervisory  
12 Appeals to carry out the independent intra-agency appel-  
13 late process required under this section.

14 “(g) APPEALS OFFICIALS.—

15 “(1) APPOINTMENT.—The head of each of the  
16 Federal banking agencies and the National Credit  
17 Union Administration shall appoint appeals officials,  
18 in a number sufficient to fully staff the panels de-  
19 scribed under subsection (h), from among the fol-  
20 lowing classes of individuals:

21 “(A) Individuals who have financial insti-  
22 tutions regulatory agency experience.

23 “(B) Individuals who—

24 “(i) are a licensed attorney or a cer-  
25 tified public accountant authorized to prac-

1           tice under the laws of a State, the District  
2           of Columbia, or a territory of the United  
3           States;

4           “(ii) have either academic or private  
5           sector experience;

6           “(iii) have relevant subject matter  
7           knowledge or work-related experience in  
8           the financial services sector, as determined  
9           by the agency making the appointment;  
10          and

11          “(iv) are not, and were not during the  
12          previous 10-year period, employed by a  
13          Federal banking agency, a Federal reserve  
14          bank, or the National Credit Union Ad-  
15          ministration.

16          “(C) Individuals—

17                  “(i) with at least 10 years private sec-  
18                  tor financial services senior management-  
19                  level experience; and

20                  “(ii) recommended by—

21                          “(I) an insured depository insti-  
22                          tution;

23                          “(II) an insured credit union; or

24                          “(III) a trade association for  
25                          such institutions or credit unions.

1           “(2) TERM.—

2                   “(A) IN GENERAL.—Each appeals official  
3 appointed under paragraph (1) shall serve for a  
4 term of 3 years.

5                   “(B) TERM LIMITATION.—No individual  
6 may be appointed under paragraph (1) to serve  
7 more than 2 full terms.

8                   “(C) DISMISSAL.—An appeals official ap-  
9 pointed under paragraph (1) may be removed  
10 at any time by the appointing agency.

11           “(h) APPEALS PROCESS AND PANEL HEARING OF  
12 MATERIAL SUPERVISORY DETERMINATIONS.—

13                   “(1) APPEAL TO THE HEAD OF SUPERVISION.—

14                           “(A) IN GENERAL.—An institution seeking  
15 an appeal of a material supervisory determina-  
16 tion shall—

17                                   “(i) file a written appeal to the head  
18 of supervision for the agency not later than  
19 30 days after receiving the material super-  
20 visory determination from the agency; and

21                                   “(ii) include in the appeal—

22   “(I) a clear and complete state-  
23 ment of all relevant facts and issues;

24   “(II) all arguments that the in-  
25 stitution wishes to present; and

1                   “(III) all relevant and material  
2                   documents that the institution wishes  
3                   to be considered.

4                   “(B) EXTENSION.—The institution may  
5                   file a written request with the head of super-  
6                   vision for an extension of the 30-day time pe-  
7                   riod described under subparagraph (A)(i),  
8                   which shall state good cause for granting the  
9                   extension. Such request shall be granted in the  
10                  sole discretion of the head of supervision.

11                  “(C) INFORMATION MADE AVAILABLE TO  
12                  INSTITUTION.—An institution seeking an ap-  
13                  peal of a material supervisory determination  
14                  may, not later than 7 days after receiving the  
15                  material supervisory determination, request that  
16                  the agency provide the institution with any in-  
17                  formation relied upon by the agency in making  
18                  the material supervisory determination. The  
19                  agency shall provide that information to the in-  
20                  stitution not later than 14 days after receiving  
21                  the request.

22                  “(2) CONSIDERATION OF APPEAL BY THE HEAD  
23                  OF SUPERVISION.—

24                  “(A) IN GENERAL.—A head of supervision  
25                  receiving an appeal under paragraph (1) shall,



1 after reviewing the information provided by the  
2 institution in such appeal—

3 “(i) grant the appeal;

4 “(ii) refer the appeal to a panel ap-  
5 pointed under paragraph (3); or

6 “(iii) deny the appeal.

7 “(B) NOTIFICATION.—A head of super-  
8 vision shall promptly inform the institution and  
9 the head of the agency after granting, referring,  
10 or denying an appeal under subparagraph (A).

11 “(C) RIGHT TO APPEAL DENIAL.—An in-  
12 stitution that has an appeal denied by the head  
13 of supervision under subparagraph (A) may ap-  
14 peal such denial to a panel appointed under  
15 paragraph (3).

16 “(3) APPOINTMENT OF PANEL.—

17 “(A) IN GENERAL.—With respect to each  
18 appeal referred by a head of supervision under  
19 paragraph (2)(A)(ii) or appealed by an institu-  
20 tion after a denial under paragraph (2)(A)(iii),  
21 the agency shall appoint a panel of 3 appeals  
22 officials to provide a recommendation on such  
23 appeal, with 1 of the 3 appeals officials being  
24 appointed to the panel from individuals in each

1 of the classes described under subparagraphs  
2 (A), (B), and (C) of subsection (g)(1).

3 “(B) REPORTING PROHIBITION.—An ap-  
4 peals official may not be appointed to a panel  
5 under subparagraph (A) if the appeals official  
6 is reporting, or has reported, directly or indi-  
7 rectly, to the agency official who made the ma-  
8 terial supervisory determination under review.

9 “(4) PANEL HEARINGS.—

10 “(A) REQUEST FOR HEARING.—An institu-  
11 tion may request a hearing with the panel on  
12 the institution’s appeal by—

13 “(i) making such request not later  
14 than 7 days after the date on which the in-  
15 stitution is informed the head of super-  
16 vision referred an appeal to a panel under  
17 paragraph (2); or

18 “(ii) making such request in the insti-  
19 tution’s appeal of a denial of the institu-  
20 tion’s appeal under paragraph (2).

21 “(B) TIMING OF HEARING.—If an institu-  
22 tion requests a hearing, as described under sub-  
23 paragraph (A), the panel shall provide the insti-  
24 tution with a hearing on the institution’s appeal  
25 not later than 30 days after the date the hear-

1           ing is requested, except the panel may, in the  
2           discretion of the panel or upon good cause  
3           shown, extend such deadline by up to 15 days.

4           “(C) RULEMAKING.—The Federal banking  
5           agencies and the National Credit Union Admin-  
6           istration shall each issue rules to establish pro-  
7           cedures for panel hearings described under this  
8           paragraph, including that—

9                   “(i) the institution may appear at the  
10                   hearing personally or through counsel;

11                   “(ii) the institution may provide an  
12                   oral and written presentation at the hear-  
13                   ing;

14                   “(iii) the panel may ask questions of  
15                   any person participating in the hearing;

16                   “(iv) the hearing may not involve—

17                           “(I) taking testimony;

18                           “(II) a cross-examination; and

19                           “(III) discovery;

20                   “(v) the hearing shall not governed by  
21                   formal rules of evidence; and

22                   “(vi) the panel shall have a verbatim  
23                   transcript of the hearing prepared.

24           “(5) RECOMMENDATION BY PANEL.—

1           “(A) IN GENERAL.—A panel making a rec-  
2           ommendation on an appeal under this sub-  
3           section shall make the recommendation not  
4           later than—

5                   “(i) 90 days after the date on which  
6                   the appeal was referred by a head of su-  
7                   pervision under paragraph (2)(A)(ii) or ap-  
8                   pealed by an institution after a denial  
9                   under paragraph (2)(A); or

10                   “(ii) if the institution requested a  
11                   hearing under paragraph (4), 60 days after  
12                   the date on which the hearing concluded.

13           “(B) FORM OF RECOMMENDATION.—The  
14           panel may recommend—

15                   “(i) that the material supervisory de-  
16                   termination be continued, terminated, or  
17                   otherwise modified; or

18                   “(ii) that the material supervisory de-  
19                   termination be remanded to the examiners  
20                   to allow the examiners to consider addi-  
21                   tional information presented in connection  
22                   with the appeal.

23           “(C) NOTICE.—After a recommendation is  
24           made under subparagraph (A), the panel shall  
25           promptly notify the institution, the head of su-

1           pervision of the agency, and the head of the  
2           agency of the recommendation, which shall con-  
3           tain a statement of the basis for the panel’s  
4           recommendation and identify the information  
5           on which the panel relied in reaching the rec-  
6           ommendation.

7           “(D) PUBLICATION.—A copy of each panel  
8           recommendation shall be posted on the agency’s  
9           public website as soon as practicable, with ex-  
10          empt information redacted. If the panel deter-  
11          mines that redaction is insufficient to prevent  
12          improper disclosure, the recommendation may  
13          be presented in summary form.

14          “(E) STANDARD OF REVIEW.—A panel’s  
15          review of a material supervisory determination  
16          being appealed under this subsection shall be de  
17          novo.

18          “(F) NO AUTHORITY TO DELAY OR STAY  
19          ORDERS.—A panel shall have no authority to  
20          delay or stay the implementation of any formal  
21          order from the applicable agency.

22          “(6) REVIEW BY THE HEAD OF THE AGENCY.—

23          “(A) RESPONSE BY INSTITUTION.—Not  
24          later than 15 days after receiving a notice of a  
25          recommendation under paragraph (5)(C), the

1 institution may submit to the head of the agen-  
2 cy written exceptions to the recommended deci-  
3 sion.

4 “(B) REVIEW BY HEAD OF THE AGEN-  
5 CY.—Not later than 45 days after receiving a  
6 notice of a recommendation under paragraph  
7 (5)(C), the head of an agency shall review such  
8 decision and either ratify or reject the panel’s  
9 decision.

10 “(C) REVIEW MAY NOT BE DELEGATED.—  
11 A review by the head of an agency under this  
12 paragraph may not be delegated to any other  
13 employee of the agency and, in the case of an  
14 agency that is headed by a body made up of  
15 multiple individuals, all such individuals shall  
16 participate in the review.

17 “(D) REPORTS TO CONGRESS.—The Fed-  
18 eral banking agencies and the National Credit  
19 Union Administration shall each, not later than  
20 90 days after the end of each calendar year,  
21 issue a report to the Committee on Financial  
22 Services of the House of Representatives and  
23 the Committee on Banking, Housing, and  
24 Urban Affairs of the Senate describing the ac-  
25 tions taken by the agency under this paragraph

1           during such calendar year, including informa-  
2           tion on each of the panel decisions reviewed,  
3           after redacting any confidential supervisory in-  
4           formation.

5           “(E) PUBLICATION.—A copy of each deci-  
6           sion by the head of the agency under this para-  
7           graph shall be posted on the agency’s public  
8           website as soon as practicable, with exempt in-  
9           formation redacted. If the head of the agency  
10          determinates that redaction is insufficient to  
11          prevent improper disclosure, the decision may  
12          be presented in summary form.

13          “(7) RIGHT TO JUDICIAL REVIEW.—An institu-  
14          tion shall have the right to petition for review of an  
15          agency head’s decision under paragraph (6) by filing  
16          a petition for review not later than 60 days after the  
17          date on which the decision was made in the United  
18          States Court of Appeals for the District of Columbia  
19          Circuit or the circuit in which the institution is lo-  
20          cated.

21          “(8) RETALIATION PROHIBITED.—The Federal  
22          banking agencies and the National Credit Union Ad-  
23          ministration may not—

24                  “(A) retaliate against an insured deposi-  
25                  tory institution or insured credit union, or a

1 service provider or institution-affiliated party of  
2 an insured depository institution or insured  
3 credit union, for exercising rights under this  
4 subsection; or

5 “(B) delay or deny any agency action that  
6 would benefit an insured depository institution  
7 or insured credit union, or a service provider or  
8 institution-affiliated party of an insured depository  
9 institution or insured credit union, on the  
10 basis that a matter under this section is pending  
11 under this section.

12 “(9) DEFINITIONS.—With respect to the appeal  
13 of a material supervisory determination under this  
14 subsection:

15 “(A) AGENCY.—The term ‘agency’ means  
16 the Federal agency, either a Federal banking  
17 agency or the National Credit Union Administration,  
18 that made the material supervisory determination.  
19

20 “(B) INSTITUTION.—The term ‘institution’  
21 means the company, either an insured depository  
22 institution or an insured credit union, with  
23 respect to which the material supervisory determination  
24 was made.”.



1 **SEC. 4. REVIEW OF RESOLUTION ACTIONS RESULTING IN A**  
2 **MATERIAL LOSS.**

3 Section 38(k) of the Federal Deposit Insurance Act  
4 (12 U.S.C. 1831o(k)) is amended by adding at the end  
5 the following:

6 “(7) REVIEW OF RESOLUTION ACTIONS BY COR-  
7 PORATION INSPECTOR GENERAL.—

8 “(A) IN GENERAL.—If the Deposit Insur-  
9 ance Fund incurs a material loss with respect  
10 to an insured depository institution, the inspec-  
11 tor general of the Corporation shall—

12 “(i) review the Corporation’s resolu-  
13 tion of the institution to determine whether  
14 the material loss to the Deposit Insurance  
15 Fund could have been avoided by the Cor-  
16 poration when resolving the institution;  
17 and

18 “(ii) make a written report to the  
19 Corporation and the Congress containing  
20 the results of such review and any rec-  
21 ommendations for preventing a material  
22 loss to the Deposit Insurance Fund in the  
23 future when resolving an institution.

24 “(B) TESTIMONY TO CONGRESS.—If the  
25 inspector general of the Corporation deter-  
26 mines, in a review carried out under subpara-

1 graph (A) that the Corporation's resolution of  
2 an institution caused a material loss to the De-  
3 posit Insurance Fund, but such resolution could  
4 have been carried out in a manner to avoid  
5 such a material loss, the Chairperson of the  
6 Corporation shall testify before the Committee  
7 on Financial Services of the House of Rep-  
8 resentatives and the Committee on Banking,  
9 Housing, and Urban Affairs of the Senate to  
10 explain why the material loss occurred.”.

○