DIVISION A—IMPROVEMENTS TO SUPERVISION
OF FINANCIAL FIRMS

TITLE I—FINANCIAL SERVICES OVERSIGHT COUNCIL

SEC. 101. SHORT TITLE.

This title may be cited as the “Financial Services Oversight Council Act of 2009”.

SEC. 102. FINANCIAL SERVICES OVERSIGHT COUNCIL ESTABLISHED.

(a) ESTABLISHMENT.—Immediately upon enactment of this title, there is established a
Financial Services Oversight Council.

(b) MEMBERSHIP.—The Financial Services Oversight Council shall consist of:

(1) the Secretary of the Treasury, who shall serve as the Chairman of the Council;

(2) the Chairman of the Board of Governors of the Federal Reserve System;

(3) the Comptroller of the Currency, until the functions of the Comptroller of the
Currency are transferred to the Director of the National Bank Supervisor, at which time
the Director of the National Bank Supervisor shall succeed to the Comptroller’s
membership on the Council;

(4) the Director of the Office of Thrift Supervision, until the functions of the
Director of the Office of Thrift Supervision are transferred to the Director of the National
Bank Supervisor;

(5) the Director of the Consumer Financial Protection Agency;

(6) the Chairman of the Securities and Exchange Commission;
(7) the Chairman of the Commodity Futures Trading Commission;
(8) the Chairperson of the Federal Deposit Insurance Corporation; and
(9) the Director of the Federal Housing Finance Agency.

(c) PURPOSES AND FUNCTIONS.—

(1) The Financial Services Oversight Council shall—

(A) advise the Congress on financial regulation and make recommendations that will enhance the integrity, efficiency, orderliness, competitiveness, and stability of our nation’s financial markets and maintain investor confidence;

(B) monitor the financial services marketplace to identify potential threats to the stability of the United States financial system;

(C) facilitate information sharing and coordination among the members of the Council regarding domestic financial services policy development, rulemakings, examinations, reporting requirements, and enforcement actions;

(D) advise the Board of Governors of the Federal Reserve System on the designation of Tier 1 financial holding companies (as defined in section 2(t) of the Banking Holding Company of 1956, as amended by section 203 of the Bank Holding Company Modernization Act of 2009), the designation of systemically important financial market utilities (as defined in section 803 of the Payment, Clearing, and Settlement Supervision Act of 2009) and payment, clearing, and settlement activities (as also defined in that section 803), and standards for such companies and activities; and

(E) provide a forum for discussion and analysis of emerging market
developments and financial regulatory issues and for resolution of jurisdictional
disputes among the members of the Council.

(2) The Chairman of the Council shall advise the President on the operations of
the Council under this title.

SEC. 103. RECOMMENDATIONS AND CONSULTATION.

(a) RECOMMENDATION AUTHORITY.—The Financial Services Oversight Council may
recommend financial firms to the Board of Governors of the Federal Reserve System for
designation as Tier 1 financial holding companies and may recommend financial market utilities
and payment, clearing, and settlement activities for designation as systemically important.

(b) INFORMATION SHARING.—The Board of Governors of the Federal Reserve System is
authorized to provide the Financial Services Oversight Council with information collected
pursuant to the Board of Governors of the Federal Reserve System’s authority to designate and
regulate Tier 1 financial holding companies and to designate and regulate systemically important
financial market utilities and systemically important payment, clearing, and settlement activities.

(c) CONSULTATION ON REGULATIONS AND STANDARDS.—The Board of Governors of the
Federal Reserve System shall consult with the Financial Services Oversight Council before—

(1) prescribing rules for the designation of Tier 1 financial holding companies;

(2) prescribing material prudential standards for Tier 1 financial holding
companies;

(3) designating any financial market utility or payment, clearing, and settlement
activity as systemically important; and

(4) prescribing material risk-management standards for systemically important
financial market utilities and systemically important payment, clearing, and settlement
activities.

(d) CONSULTATION WITH OTHER AGENCIES AND ENTITIES.—The Financial Services
Oversight Council, as appropriate, may consult with other agencies and entities to carry out any
of the provisions of this title

SEC. 104. FINANCIAL SERVICES OVERSIGHT COUNCIL AUTHORITY.

(a) IN GENERAL.—The Financial Services Oversight Council, through its Chairman, is
authorized to receive, and may request the production of, any data or information from members
of the Council, as necessary—

(1) to monitor the financial services marketplace to identify potential threats to the
stability of the United States financial system; or

(2) to otherwise carry out any of the provisions of this title.

(b) SUBMISSION BY COUNCIL MEMBERS.—Any member of the Council in possession of
data or information requested by the Financial Services Oversight Council is authorized to
provide that information to the Council.

(c) FINANCIAL DATA COLLECTION.—The Financial Services Oversight Council, through
its Chairman, may require the submission of periodic and other reports from any United States
financial firm solely for the purpose of assessing the extent to which a financial activity or
financial market in which the firm participates poses a threat to financial stability. Before
requiring the submission of reports from financial firms that are regulated by members of the
Council, the Chairman shall coordinate with members of the Council and shall, whenever
possible, rely on information already being collected from members of the Council.

SEC. 105. TECHNICAL AND PROFESSIONAL ADVISORY COMMITTEES.

The Financial Services Oversight Council is authorized to appoint such special advisory,
technical, or professional committees as may be useful in carrying out its functions, and the members of such committees may be members of the Financial Services Oversight Council, or other persons, or both.

SEC. 106. FINANCIAL SERVICES OVERSIGHT COUNCIL MEETINGS.

The Financial Services Oversight Council shall meet as frequently as the Chairman deems necessary, but not less than quarterly.

SEC. 107. ASSISTANCE FROM FEDERAL AGENCIES.

(a) DEPARTMENT OF THE TREASURY.—The Secretary of the Treasury shall designate permanent staff to provide the Financial Services Oversight Council and any special advisory, technical, or professional committees appointed by the Council with professional and expert support and other services necessary for the performance of the Financial Services Oversight Council’s functions and fulfillment of its mission.

(b) OTHER DEPARTMENTS AND AGENCIES.—In addition to the assistance prescribed in subsection (a), departments and agencies of the United States are authorized to provide the Financial Services Oversight Council and any special advisory, technical, or professional committees appointed by the Council with such services, funds, facilities, staff, and other support services as they may determine advisable.

SEC. 108. REPORTS TO CONGRESS.

The Financial Services Oversight Council shall submit an annual report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate identifying significant financial market developments and potential emerging threats to the stability of the financial system.

SEC. 109. APPLICABILITY OF CERTAIN FEDERAL LAWS.
The Federal Advisory Committee Act shall not apply to the Financial Services Oversight Council, or any special advisory, technical, or professional committees appointed by the Financial Services Oversight Council.