

Union Calendar No. 269

117TH CONGRESS
2^D SESSION

H. R. 2516

[Report No. 117-355]

To amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to require Federal banking regulators to include a diversity and inclusion component in the Uniform Financial Institutions Rating System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2021

Mr. GREEN of Texas introduced the following bill; which was referred to the Committee on Financial Services

JUNE 7, 2022

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italics]

[For text of introduced bill, see copy of bill as introduced on April 14, 2021]

A BILL

To amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to require Federal banking regulators to include a diversity and inclusion component in the Uniform Financial Institutions Rating 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 “Promoting Diversity*
5 *and Inclusion in Banking Act of 2021”.*

6 **SEC. 2. DIVERSITY AND INCLUSION RATINGS.**

7 *(a) IN GENERAL.—The Dodd-Frank Wall Street Re-*
8 *form and Consumer Protection Act (12 U.S.C. 5301 et seq.)*
9 *is amended by inserting after section 342 the following:*

10 **“SEC. 342A. DIVERSITY AND INCLUSION RATINGS.**

11 *“(a) IN GENERAL.—The Board of Governors, the*
12 *Comptroller of the Currency, the Corporation, and the Na-*
13 *tional Credit Union Administration Board, in assigning*
14 *a rating to a depository institution under the Uniform Fi-*
15 *nancial Institutions Rating System (or an equivalent rat-*
16 *ing by any such agency under a comparable rating system)*
17 *shall include a diversity and inclusion component that ex-*
18 *amines—*

19 *“(1) whether the depository institution has effec-*
20 *tive policies in place to encourage diversity and in-*
21 *clusion in the hiring practices of the institution;*

22 *“(2) whether the depository institution provides*
23 *training to the employees of the institution, that is*
24 *appropriate to the size and resources of the institu-*
25 *tion, on diversity and inclusion; and*

1 “(3)(A) *with respect to a depository institution*
2 *with total consolidated assets of \$1,000,000,000 or*
3 *less, whether such depository institution has des-*
4 *ignated an individual to serve as a Diversity and In-*
5 *clusion Officer who reports to the Chief Executive Of-*
6 *ficer of the institution on all diversity and inclusion*
7 *matters; or*

8 “(B) *with respect to a depository institution*
9 *with total consolidated assets of more than*
10 *\$1,000,000,000, whether such depository institution—*

11 “(i) *has designated an individual to serve*
12 *as a Diversity and Inclusion Officer; and*

13 “(ii) *has established a committee for diver-*
14 *sity and inclusion that holds meetings quarterly*
15 *and that includes in its membership the Diver-*
16 *sity and Inclusion Officer designated under*
17 *clause (i) and the Chief Executive Officer of the*
18 *institution.*

19 “(b) *APPLICATION TO MINORITY DEPOSITORY INSTI-*
20 *TUTIONS.—In carrying out subsection (a) with respect to*
21 *minority depository institutions, the Board of Governors,*
22 *the Comptroller of the Currency, the Corporation, and the*
23 *National Credit Union Administration Board shall—*

1 “(1) assign such institutions the most favorable
2 rating with respect to the diversity and inclusion
3 component described under subsection (a); and

4 “(2) exempt such institutions from any examina-
5 tion procedures related to the diversity and inclusion
6 component described under subsection (a).

7 “(c) *DEFINITIONS.*—*In this section:*

8 “(1) *DEPOSITORY INSTITUTION.*—*The term ‘de-*
9 *pository institution’ means a depository institution*
10 *or a credit union.*

11 “(2) *MINORITY DEPOSITORY INSTITUTION.*—*The*
12 *term ‘minority depository institution’ means an enti-*
13 *ty that is—*

14 “(A) *a minority depository institution, as*
15 *defined in section 308 of the Financial Institu-*
16 *tions Reform, Recovery, and Enforcement Act of*
17 *1989 (12 U.S.C. 1463 note); or*

18 “(B) *considered to be a minority depository*
19 *institution by—*

20 “(i) *the appropriate Federal banking*
21 *agency; or*

22 “(ii) *the National Credit Union Ad-*
23 *ministration, in the case of an insured cred-*
24 *it union.”.*

1 **(b) CLERICAL AMENDMENT.**—*The table of contents for*
2 *the Dodd-Frank Wall Street Reform and Consumer Protec-*
3 *tion Act is amended by inserting after the item relating*
4 *to section 342 the following:*

“Sec. 342A. *Diversity and inclusion ratings.*”.

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