

S 1790

Failed Bank Executives Clawback Act

Congress: 118 (2023–2025, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Jun 1, 2023

Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Jun 1, 2023)

Official Text: <https://www.congress.gov/bill/118th-congress/senate-bill/1790>

Sponsor

Name: Sen. Warren, Elizabeth [D-MA]

Party: Democratic • State: MA • Chamber: Senate

Cosponsors (12 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Braun, Mike [R-IN]	R · IN		Jun 1, 2023
Sen. Britt, Katie Boyd [R-AL]	R · AL		Jun 1, 2023
Sen. Cortez Masto, Catherine [D-NV]	D · NV		Jun 1, 2023
Sen. Cramer, Kevin [R-ND]	R · ND		Jun 1, 2023
Sen. Fetterman, John [D-PA]	D · PA		Jun 1, 2023
Sen. Hawley, Josh [R-MO]	R · MO		Jun 1, 2023
Sen. Menendez, Robert [D-NJ]	D · NJ		Jun 1, 2023
Sen. Smith, Tina [D-MN]	D · MN		Jun 1, 2023
Sen. Van Hollen, Chris [D-MD]	D · MD		Jun 1, 2023
Sen. Vance, J. D. [R-OH]	R · OH		Jun 1, 2023
Sen. Warner, Mark R. [D-VA]	D · VA		Jun 1, 2023
Sen. Warnock, Raphael G. [D-GA]	D · GA		Jun 1, 2023

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Jun 1, 2023

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
118 S 1045	Related bill	May 17, 2023: Committee on Banking, Housing, and Urban Affairs. Hearings held.
118 HR 2972	Related bill	Apr 27, 2023: Referred to the House Committee on Financial Services.

## **Failed Bank Executives Clawback Act**

This bill requires the Federal Deposit Insurance Corporation (FDIC) to claw back compensation from specific responsible parties in case of a large insured depository institution's insolvency, resolution, or receivership. This clawback requirement applies to an entity (including a director, shareholder, or other person who participates in the conduct of the institution's affairs) that caused more than a minimal financial loss to, or a significant adverse effect on, the insured depository institution. The compensation subject to the clawback requirement includes salary, bonuses, awards, and any profits realized from the buying or selling of securities during the preceding three years.

The bill also expands the authority of the FDIC to claw back compensation of parties responsible for financial losses incurred by a financial company regardless of the process by which it is appointed receiver.

## **Actions Timeline**

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- **Jun 1, 2023:** Introduced in Senate
- **Jun 1, 2023:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.