

Union Calendar No. 617

119TH CONGRESS
2^D SESSION

H. R. 8278

[Report No. 119-711]

To require certain supervisory agencies to assess their technological capabilities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2026

Mr. STUTZMAN (for himself and Mr. FOSTER) introduced the following bill;
which was referred to the Committee on Financial Services

JUNE 24, 2026

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 *italic*]

[For text of introduced bill, see copy of bill as introduced on April 14, 2026]

A BILL

To require certain supervisory agencies to assess their technological capabilities, 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 “Fostering the Use of*
5 *Technology to Uphold Regulatory Effectiveness in Super-*
6 *vision Act”.*

7 **SEC. 2. FINDINGS.**

8 *Congress finds the following:*

9 (1) *Banking regulators continue to examine and*
10 *monitor depository institutions without sufficient ac-*
11 *cess to real-time information.*

12 (2) *Risk surrounding technology procurement*
13 *may present challenges for updating supervisory tech-*
14 *nology.*

15 (3) *To ensure that prudential supervision is ef-*
16 *fective and sustainable in the digital age, agencies*
17 *must leverage new technologies to allow for the finan-*
18 *cial monitoring necessary to preserve a safe and*
19 *sound banking system.*

20 (4) *New technological tools are also necessary in*
21 *order for agencies to effectively fulfill mandates other*
22 *than prudential supervision, including their man-*
23 *dates to assure consumer protection and monitor*
24 *Bank Secrecy Act compliance.*

1 (5) *Agencies' reliance on outdated technology can*
2 *create vulnerabilities for the financial system,*
3 *through—*

4 (A) *difficulties in collecting, compiling, and*
5 *analyzing relevant information about risks and*
6 *noncompliance at supervised firms;*

7 (B) *reliance on information that is inac-*
8 *curate, incomplete, or not timely;*

9 (C) *reliance on limited and outdated tools*
10 *for data analysis;*

11 (D) *difficulties in using data to identify*
12 *risk trends;*

13 (E) *difficulties in producing accurate and*
14 *timely reports;*

15 (F) *inadequacy of cybersecurity safeguards;*

16 *and*

17 (G) *failure to detect illegal activities.*

18 (6) *The rapid expansion of financial firms' use*
19 *of artificial intelligence may generate opportunities to*
20 *improve the financial system while also introducing*
21 *a range of risks, making it essential that agencies be*
22 *equipped with the technology, expertise, and skills*
23 *needed to analyze these opportunities and potential*
24 *risks.*

1 (7) *While agencies assess their supervisory capa-*
2 *bilities on an ongoing basis, it is imperative that*
3 *there be a unified goal of enhancing supervisory tech-*
4 *nologies that ensure effective and sustainable over-*
5 *sight.*

6 **SEC. 3. TECHNOLOGICAL CAPABILITIES AND PROCURE-**
7 **MENT PRACTICES ASSESSMENT.**

8 (a) *IN GENERAL.*—

9 (1) *TECHNOLOGICAL CAPABILITIES ASSESS-*
10 *MENT.*—*Each covered agency shall, not later than 180*
11 *days after the date of the enactment of this section,*
12 *assess how existing technologies used by the covered*
13 *agency pose challenges to the covered agency in con-*
14 *ducting adequate, real-time supervisory assessments of*
15 *entities over which the covered agency has supervisory*
16 *authority. Such technologies include, as applicable—*

17 (A) *core information technology infrastruc-*
18 *ture;*

19 (B) *technologies used to supervise entities;*

20 (C) *technologies for monitoring general*
21 *market risks using reported data and external*
22 *data; and*

23 (D) *technologies for data collection, storage,*
24 *processing, and security.*

1 (2) *PROCUREMENT PRACTICES ASSESSMENT.*—
2 *Each covered agency shall, not later than 180 days*
3 *after the date of the enactment of this section—*

4 (A) *assess the procurement rules and proto-*
5 *cols adhered to by such covered agency when such*
6 *covered agency acquires or develops new techno-*
7 *logical systems; and*

8 (B) *identify any opportunities to further*
9 *streamline procurement rules and protocols, in-*
10 *cluding an assessment of the impact such rules*
11 *or protocols have on the ability of the covered*
12 *agency to test new technological systems, that are*
13 *within the covered agency’s authority to stream-*
14 *line.*

15 (b) *REPORT.*—*Not later than 18 months after the com-*
16 *pletion of the assessments required under subsection (a),*
17 *and for every 5 years thereafter, the covered agencies shall*
18 *coordinate and jointly submit to the Committee on Finan-*
19 *cial Services of the House of Representatives and the Com-*
20 *mittee on Banking, Housing, and Urban Affairs of the Sen-*
21 *ate, in a manner that does not pose a risk to the integrity*
22 *or security of any technologies, systems, or capabilities of*
23 *covered agencies, regulated entities, or market participants,*
24 *a report that includes, as applicable, the following with re-*
25 *spect to each covered agency:*

1 (1) *A general overview of hardware and software*
2 *used for information gathering and advanced ana-*
3 *lytics during supervision activities, including cat-*
4 *egories of technology purchased from vendors and de-*
5 *veloped by the covered agency or contractors of the*
6 *covered agency.*

7 (2) *A description of the procurement practices*
8 *and protocols of the covered agency, including a de-*
9 *scription of—*

10 (A) *whether such processes are voluntarily*
11 *adhered to or mandated; and*

12 (B) *any opportunities to further streamline*
13 *procurement rules and protocols, including an*
14 *assessment of the impact such rules or protocols*
15 *have on the ability of the covered agency to test*
16 *new technological systems.*

17 (3) *A general overview of the portion of the*
18 *workforce of the covered agency that is engaged mate-*
19 *rially in technology development within the covered*
20 *agency, including—*

21 (A) *an overview of the ability of the covered*
22 *agency to recruit and retain appropriate tech-*
23 *nology experts; and*

24 (B) *a description of the degree to which the*
25 *covered agency relies on contractors to design,*

1 *develop, or deploy technology and perform tech-*
2 *nology-related tasks, and a description of related*
3 *risk management practices for contractors and*
4 *third-party technologies.*

5 *(4) A general description of the processes used by*
6 *the covered agency to obtain information from entities*
7 *supervised by the covered agency and any impedi-*
8 *ments thereto, including regulatory obstacles.*

9 *(5) General information about market and tech-*
10 *nology trends and risks in the underlying regulated*
11 *markets including, specific to the covered agency's ju-*
12 *risdiction—*

13 *(A) market developments influenced by the*
14 *adoption of new technologies;*

15 *(B) the use of new technologies by super-*
16 *vised entities for compliance and risk manage-*
17 *ment purposes;*

18 *(C) the impact of new technologies on the*
19 *collection and analysis of data submitted to the*
20 *covered agencies by supervised entities as re-*
21 *quired by regulation, including on data quality,*
22 *interoperability, and standardization; and*

23 *(D) potential risks, including risks of illicit*
24 *activity, related to new technologies.*

1 (6) *A general description of the ways in which*
2 *the covered agency shares information or system ac-*
3 *cess with other covered agencies and any impediments*
4 *thereto, including regulatory obstacles.*

5 (7) *An estimate of the costs for supervised enti-*
6 *ties to modify systems to share data with covered*
7 *agencies, as appropriate.*

8 (8) *A general description of any plans of the cov-*
9 *ered agency to implement future upgrades to the tech-*
10 *nology it uses to supervise entities, including—*

11 (A) *the anticipated timeline for any*
12 *planned upgrades;*

13 (B) *the costs of any planned upgrades;*

14 (C) *any impediments to procuring relevant*
15 *technologies;*

16 (D) *plans for hiring and training individ-*
17 *uals in connection with technological upgrades;*

18 (E) *any aspects of any planned upgrades*
19 *that should be addressed on an interagency basis;*

20 (F) *any anticipated challenges and oppor-*
21 *tunities associated with entities supervised by the*
22 *covered agency adapting to the covered agency's*
23 *reporting process, including—*

24 (i) *estimates of transition costs; and*

1 (ii) estimates of any potential cost re-
2 ductions; and

3 (G) as applicable, the covered agency's rela-
4 tionships with other covered agencies in their ca-
5 pacity as delegated examiners.

6 (c) *COVERED AGENCY DEFINED.*—In this section, the
7 term “covered agency” means the Board of Governors of the
8 Federal Reserve System, the Bureau of Consumer Financial
9 Protection, the Federal Deposit Insurance Corporation, the
10 Department of the Treasury, including the Office of the
11 Comptroller of the Currency and the Financial Crimes En-
12 forcement Network, the Federal Housing Finance Agency,
13 and the National Credit Union Administration.

Union Calendar No. 617

119TH CONGRESS
2D Session

H. R. 8278

[Report No. 119-711]

A BILL

To require certain supervisory agencies to assess their technological capabilities, and for other purposes.

JUNE 24, 2026

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