

117TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To require Federal financial regulators to create a publicly available database for certain bad actors, and for other purposes.

---

IN THE SENATE OF THE UNITED STATES

\_\_\_\_\_ (legislative day, \_\_\_\_\_), \_\_\_\_\_

Mr. KENNEDY (for himself and Ms. LUMMIS) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

---

**A BILL**

To require Federal financial regulators to create a publicly available database for certain bad actors, 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 “Tracking Bad Actors  
5 Act of 2022”.

6 **SEC. 2. DEFINITION.**

7 In this Act, the term “Federal financial regulator”  
8 means—

- 1           (1) the Commodity Futures Trading Commis-  
2           sion;  
3           (2) the Securities and Exchange Commission;  
4           (3) the Office of the Comptroller of the Cur-  
5           rency;  
6           (4) the Federal Deposit Insurance Corporation;  
7           (5) the Financial Industry Regulatory Agency;  
8           and  
9           (6) Public Company Accounting Oversight  
10          Board.

11 **SEC. 3. DATABASE.**

12          (a) IN GENERAL.—Not later than 3 years after the  
13 date of enactment of this Act, the Federal financial regu-  
14 lators shall jointly establish a publicly available database  
15 of persons convicted or held liable in criminal, civil, and  
16 administrative actions relating to financial services  
17 brought by—

- 18           (1) any Federal financial regulator, to the  
19           greatest extent practicable;  
20           (2) the Department of Justice;  
21           (3) any self-regulatory organization or similar  
22           entity overseen by a Federal financial regulator if  
23           required by such regulator; or

1           (4) any State or local criminal or regulatory  
2           agency that voluntarily submits information to the  
3           database.

4           (b) OVERSIGHT.—The Securities and Exchange Com-  
5           mission shall be the lead agency responsible for oversight  
6           of the database established under subsection (a).

7           (c) FREE ACCESS.—The information in the database  
8           established under subsection (a) shall be free of charge  
9           to the public.

10          (d) OPERATION.—The database established under  
11          subsection (a) shall be operated by a Federal agency or  
12          maintained by a third party.

13          (e) EXPUNGEMENT.—Any agency who submits infor-  
14          mation to the database under subsection (a) shall expunge  
15          any enforcement action brought by the agency if the action  
16          is—

17                 (1) overturned upon judicial review; or

18                 (2) withdrawn by the agency.

19          (f) REPORTS.—

20                 (1) FEDERAL FINANCIAL REGULATORS.—The  
21          Federal financial regulators shall jointly submit to  
22          Congress an annual report on the database during  
23          the period beginning on the date of enactment of  
24          this Act and ending on the date on which the data-  
25          base is operational.

1           (2) GAO REPORT.—Not later than 5 years  
2           after the date on which the database is operational,  
3           the Comptroller General of the United States shall  
4           submit to Congress a report on the database.