

117TH CONGRESS
1ST SESSION

S. 283

To establish a National Climate Bank.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 8, 2021

Mr. MARKEY (for himself, Mr. VAN HOLLEN, Mr. BLUMENTHAL, Mr. SCHATZ, and Mr. HEINRICH) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

To establish a National Climate Bank.

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 “National Climate Bank
5 Act”.

6 **SEC. 2. NATIONAL CLIMATE BANK.**

7 (a) IN GENERAL.—Title LXII of the Revised Stat-
8 utes (12 U.S.C. 21 et seq.) is amended by adding at the
9 end the following:

1 **“CHAPTER FIVE—NATIONAL CLIMATE**
 2 **BANK**

“Sec.
 “5245. Findings.
 “5245A. Definitions.
 “5245B. Establishment.
 “5245C. Purpose.
 “5245D. Investments and procurements division.
 “5245E. Start-up division.
 “5245F. Project types.
 “5245G. Cash for carbon program.
 “5245H. Project and Investment attributes.
 “5245I. Board of Directors.
 “5245J. Administration.
 “5245K. Establishment of risk and audit committees.
 “5245L. External oversight.
 “5245M. Maximum contingent liability.

3 **“SEC. 5245. FINDINGS.**

4 “Congress finds that—

5 “(1) the October 2018 report entitled ‘Special
 6 Report on Global Warming of 1.5 °C’ by the Inter-
 7 governmental Panel on Climate Change and the No-
 8 vember 2018 Fourth National Climate Assessment
 9 report found that—

10 “(A) human activity is the dominant cause
 11 of observed climate change over the past cen-
 12 tury;

13 “(B) a changing climate is causing sea lev-
 14 els to rise and an increase in wildfires, severe
 15 storms, droughts, and other extreme weather
 16 events that threaten human life, healthy com-
 17 munities, and critical infrastructure;

1 “(C) global warming at or above 2 degrees
 2 Celsius beyond pre-industrialized levels will
 3 cause—

4 “(i) mass migration from the regions
 5 most affected by climate change;

6 “(ii) more than \$500,000,000,000 in
 7 lost annual economic output in the United
 8 States by the year 2100;

9 “(iii) wildfires that, by 2050, will an-
 10 nually burn at least twice as much forest
 11 area in the western United States than
 12 was typically burned by wildfires in the
 13 years preceding 2019;

14 “(iv) a loss of more than 99 percent
 15 of all coral reefs on Earth;

16 “(v) more than 350,000,000 more
 17 people to be exposed globally to deadly
 18 heat stress by 2050; and

19 “(vi) a risk of damage to
 20 \$1,000,000,000,000 of public infrastruc-
 21 ture and coastal real estate in the United
 22 States; and

23 “(D) global temperatures must be kept
 24 below 1.5 degrees Celsius above pre-industri-

1 alized levels to avoid the most severe impacts of
2 a changing climate, which will require—

3 “(i) global reductions in greenhouse
4 gas emissions from human sources of 40 to
5 60 percent from 2010 levels by 2030; and

6 “(ii) net-zero global emissions by
7 2050;

8 “(2)(A) according to Bloomberg New Energy
9 Finance, in 2018, approximately \$64,000,000,000
10 was invested in renewable energy in the United
11 States; and

12 “(B) according to the International Energy
13 Agency, in 2018, approximately \$42,000,000,000
14 was invested in energy efficiency in North America;

15 “(3) investments in renewable energy and en-
16 ergy efficiency have a demonstrated track record of
17 increasing jobs while lowering the cost of new renew-
18 able energy investments, which benefits the clean en-
19 ergy economy;

20 “(4) green banks can be used to accelerate in-
21 vestment in—

22 “(A) new and emerging technologies; and

23 “(B) new and innovative financing prod-
24 ucts to leverage private sector financing;

1 “(5) green banking has a demonstrated track
 2 record of success at increasing investment in the
 3 clean energy economy;

4 “(6) green banks have led to \$3,670,000,000 of
 5 investment in cost-effective clean energy projects
 6 across the United States, lowering energy costs for
 7 end-users, with that investment total composed of—

8 “(A) \$1,079,000,000 in public funds; and

9 “(B) \$2,591,000,000 in private and phil-
 10 anthropic capital;

11 “(7) in 2018, green banks were operating in a
 12 number of States and other jurisdictions, includ-
 13 ing—

14 “(A) the District of Columbia; and

15 “(B) the States of—

16 “(i) Colorado;

17 “(ii) Connecticut;

18 “(iii) Florida;

19 “(iv) Hawaii;

20 “(v) Maryland;

21 “(vi) Michigan;

22 “(vii) Nevada;

23 “(viii) New York; and

24 “(ix) Rhode Island;

1 “(8) in the many different types of electricity
2 markets around the country, achieving 100 percent
3 market penetration of clean energy will require deliv-
4 ery of clean electric energy that is cheaper than al-
5 ternative fossil-fuel based electricity;

6 “(9) market-based clean energy financing tools,
7 such as those used by existing State and local green
8 banks, can be used—

9 “(A) to accelerate the deployment of clean
10 energy;

11 “(B) to reduce greenhouse gas emissions in
12 the United States by substituting fossil-fuel
13 based energy with lower-cost clean energy;

14 “(C) to unlock private investment by offer-
15 ing complementary capital that can change the
16 dynamics of a capital stack and make new
17 projects worth investing in for private sector
18 capital providers; and

19 “(D) to open new markets for greater in-
20 vestment and increase opportunities for commu-
21 nities and the private sector; and

22 “(10) the Federal Government can accelerate
23 and rapidly expand the deployment of clean energy
24 technologies by creating a dedicated financial insti-
25 tution that can support the work of existing green

1 banks and provide greater capital for efforts to re-
 2 duce emissions, increasing the overall scale of clean
 3 energy investment and the pace of substitution of
 4 clean energy technologies for fossil-fuel based tech-
 5 nologies.

6 **“SEC. 5245A. DEFINITIONS.**

7 “In this chapter:

8 “(a) BANK.—The term ‘Bank’ means the National
 9 Climate Bank established under section 5245B.

10 “(b) BOARD.—The term ‘Board’ means the Board of
 11 Directors of the National Climate Bank established under
 12 section 5245I.

13 “(c) CHIEF EXECUTIVE OFFICER.—The term ‘Chief
 14 Executive Officer’ means the Chief Executive Officer of
 15 the Board appointed under section 5245I(i).

16 “(d) GREEN BANK.—The term ‘green bank’ means
 17 a dedicated public or nonprofit specialized finance entity
 18 that—

19 “(1) is designed to drive private capital into
 20 market gaps for low- and zero-emission goods and
 21 services;

22 “(2) uses finance tools to mitigate climate
 23 change;

24 “(3) does not take deposits;

1 “(4) is funded by government, public, private,
2 or charitable contributions; and

3 “(5) invests—

4 “(A) alone; or

5 “(B) in conjunction with other investors.

6 “(e) **PROCUREMENT.**—The term ‘procurement’
7 means the purchase, lease, or acquisition of real or per-
8 sonal property on a bid, negotiated, or open-market basis,
9 including through a sole-source procurement or in such
10 other manner as the Board and Chief Executive Officer
11 determine to be appropriate and in the best interests of
12 reducing emissions.

13 **“SEC. 5245B. ESTABLISHMENT.**

14 “(a) **IN GENERAL.**—Not later than 1 year after the
15 date of enactment of this chapter, there shall be estab-
16 lished in the District of Columbia a bank, to be known
17 as the ‘National Climate Bank’, in accordance with this
18 chapter.

19 “(b) **LEGAL STATUS.**—The Bank shall be an inde-
20 pendent, nonprofit entity outside of the Federal Govern-
21 ment.

22 “(c) **FULL FAITH AND CREDIT.**—The full faith and
23 credit of the United States shall not extend to the Bank.

1 **“SEC. 5245C. PURPOSE.**

2 “The purpose of the Bank is to make the United
3 States a world leader in combating the causes and effects
4 of climate change and reducing emissions in the United
5 States for every dollar spent by the Bank, through the
6 rapid deployment of mature technologies and the commer-
7 cialization and scaling of new technologies, including by—

8 “(1) providing financing support for invest-
9 ments in the United States in clean and low-emis-
10 sions technologies and processes;

11 “(2) conducting low-cost procurements in the
12 United States that will be used to lower emissions;

13 “(3) catalyzing and mobilizing private capital
14 through Federal investment and supporting a more
15 robust marketplace for clean technologies, while
16 minimizing competition with private investment;

17 “(4) enabling low- and moderate-income indi-
18 viduals and communities to benefit from and afford
19 projects and investments that reduce emissions;

20 “(5) increasing the efficiency and effectiveness
21 of Federal financing programs that support positive
22 climate outcomes, such as reduced emissions; and

23 “(6) supporting the creation of green banks
24 within the United States where green banks do not
25 exist.

1 **“SEC. 5245D. INVESTMENTS AND PROCUREMENTS DIVI-**
2 **SION.**

3 “(a) IN GENERAL.—There shall be within the Bank
4 an investments and procurements division, which shall be
5 responsible for—

6 “(1) equity investments in clean energy
7 projects;

8 “(2) ensuring appropriate debt and risk mitiga-
9 tion products are offered;

10 “(3) overseeing prudent, noncontrolling equity
11 investments;

12 “(4) procurements that will be used to reduce
13 emissions and the cost of emissions reductions
14 through aggregation of demand and other market-
15 based approaches; and

16 “(5) greenhouse gas emissions mitigation ef-
17 forts.

18 “(b) INVESTMENT COMMITTEE.—The suite of debt
19 and risk mitigation products and equity investments made
20 by the Bank shall be—

21 “(1) approved by an investment committee of
22 the Board; and

23 “(2) consistent with an investment policy that
24 has been established by the investment committee of
25 the Board in consultation with the risk management
26 committee of the Board.

1 “(c) DEBT PRODUCTS.—Debt products and invest-
 2 ments by the Bank shall include direct lending, colending,
 3 and credit enhancements.

4 **“SEC. 5245E. START-UP DIVISION.**

5 “There shall be within the Bank a start-up division,
 6 which shall be responsible for providing technical assist-
 7 ance to States and other political subdivisions that do not
 8 have green banks to establish independent, nonprofit
 9 green banks in those States and political subdivisions, in-
 10 cluding by working with relevant stakeholders in those
 11 States and political subdivisions.

12 **“SEC. 5245F. PROJECT TYPES.**

13 “The Bank shall seek to facilitate affordable invest-
 14 ment and procurement, including in low-income commu-
 15 nities and communities of color, in the following key areas:

16 “(1) Renewable energy.

17 “(2) Energy storage.

18 “(3) Transportation, including—

19 “(A) low- and zero-emission vehicle infra-
 20 structure;

21 “(B) transit-oriented development; and

22 “(C) active transportation.

23 “(4) Transmission for clean energy.

24 “(5) Climate resiliency measures.

1 “(6) Energy and water efficiency, including res-
2 idential, commercial, and industrial efficiency.

3 “(7) Reforestation of degraded land.

4 “(8) Agricultural projects.

5 “(9) Electrification and decarbonization of in-
6 dustrial processes.

7 “(10) Any other key area identified by the
8 Board as consistent with the purpose of the Bank
9 described in section 5245C.

10 **“SEC. 5245G. CASH FOR CARBON PROGRAM.**

11 “(a) ESTABLISHMENT.—Pursuant to guidance and
12 rules issued by the Board, the Bank shall explore the es-
13 tablishment of a cash for carbon program to remove green-
14 house gas emissions from the power system.

15 “(b) PURPOSE.—Any program established under sub-
16 section (a) may use market mechanisms to expedite the
17 retirement of carbon-intensive power generation facilities,
18 such as coal-fired power generation facilities, acquire car-
19 bon assets for the purpose of reducing emissions, and in-
20 vest in communities negatively affected by the loss of those
21 facilities or assets, including market mechanisms such
22 as—

23 “(1) reverse auctions;

24 “(2) securitization;

1 “(3) the offering of bidder’s credits to facilities
 2 that pose significant environmental justice or health
 3 concerns, particularly in low-income, minority, and
 4 distressed neighborhoods (within the meaning of sec-
 5 tion 910 of the Housing and Community Develop-
 6 ment Act of 1992 (12 U.S.C. 2901 note; Public Law
 7 102–550)); and

8 “(4) the provision of investment and technical
 9 assistance to the local community and site of a facil-
 10 ity, including, where necessary, in cooperation
 11 with—

12 “(A) the Administrator of the Environ-
 13 mental Protection Agency; or

14 “(B) other Federal, State, or local authori-
 15 ties.

16 “(c) EXPANSION OF PROGRAM.—The Board may ex-
 17 pand any program established under subsection (a) to ad-
 18 ditional carbon-intensive economic sectors beyond power
 19 generation, as determined to be appropriate by the Board.

20 **“SEC. 5245H. PROJECT AND INVESTMENT ATTRIBUTES.**

21 “(a) IN GENERAL.—The Bank may—

22 “(1) provide financing to regional, State, and
 23 local green banks; and

24 “(2) invest directly in projects that reduce
 25 emissions across the United States.

1 “(b) PRIORITY.—In carrying out subsection (a), the
2 Bank shall—

3 “(1) ensure that not less than 40 percent of the
4 investment activity of the Bank is directed towards
5 disadvantaged communities facing climate impacts,
6 as determined by the Board through a public en-
7 gagement process;

8 “(2) give priority to projects that—

9 “(A) provide jobs;

10 “(B) mitigate greenhouse gas emissions;

11 and

12 “(C) serve—

13 “(i) low-income, minority, and dis-
14 tressed neighborhoods (within the meaning
15 of section 910 of the Housing and Commu-
16 nity Development Act of 1992 (12 U.S.C.
17 2901 note; Public Law 102–550)); or

18 “(ii) low-income, minority, and rural
19 consumers (within the meaning of the final
20 rule of the Bureau of Consumer Financial
21 Protection entitled ‘Ability-to-Repay and
22 Qualified Mortgage Standards Under the
23 Truth in Lending Act (Regulation Z)’ (78
24 Fed. Reg. 6408 (January 30, 2013)));

1 “(3) ensure that projects provide access to low-
 2 carbon infrastructure, including clean power, clean
 3 water, and reliable, high-quality transportation, at
 4 affordable rates to families in—

5 “(A) low-income, minority, and distressed
 6 neighborhoods (within the meaning of section
 7 910 of the Housing and Community Develop-
 8 ment Act of 1992 (12 U.S.C. 2901 note; Public
 9 Law 102–550)); or

10 “(B) a rural area (as defined in section
 11 343(a) of the Consolidated Farm and Rural
 12 Development Act (7 U.S.C. 1991(a)));

13 “(4) ensure that any residential energy effi-
 14 ciency or distributed clean energy project in which
 15 the Bank invests directly under subsection (a)(2)
 16 and provides financing to a consumer directly or
 17 through a program funded directly or indirectly by
 18 the Bank complies with the requirements of the
 19 Consumer Credit Protection Act (15 U.S.C. 1601 et
 20 seq.), including, in the case of a financial product
 21 that is a residential mortgage loan, any require-
 22 ments of title I of that Act relating to residential
 23 mortgage loans (including any regulations promul-
 24 gated by the Bureau of Consumer Financial Protec-

1 tion under section 129C(b)(3)(C) of that Act (15
2 U.S.C. 1639(b)(3)(C)); and

3 “(5) ensure that projects financed directly by
4 the Bank, the total capital costs of which are not
5 less than \$100,000,000, utilize a project-labor agree-
6 ment.

7 “(c) WAGE RATE REQUIREMENTS.—

8 “(1) IN GENERAL.—Notwithstanding any other
9 provision of law, all laborers and mechanics em-
10 ployed by contractors and subcontractors on projects
11 financed directly by the Bank shall be paid wages at
12 rates not less than those prevailing on projects of a
13 similar character in the locality, as determined by
14 the Secretary of Labor in accordance with sub-
15 chapter IV of chapter 31 of part A of subtitle II of
16 title 40, United States Code (commonly referred to
17 as the ‘Davis-Bacon Act’).

18 “(2) AUTHORITY.—With respect to the labor
19 standards specified in paragraph (1), the Secretary
20 of Labor shall have the authority and functions set
21 forth in Reorganization Plan Numbered 14 of 1950
22 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of
23 title 40, United States Code.

1 **“SEC. 5245I. BOARD OF DIRECTORS.**

2 “(a) IN GENERAL.—The Bank shall operate under
3 the direction of a Board of Directors, which shall be com-
4 posed of 7 members from private, government, nonprofit,
5 and other groups, of whom—

6 “(1) 1 shall be the Secretary of the Treasury
7 (or a designee);

8 “(2) 1 shall be the Secretary of Energy (or a
9 designee);

10 “(3) 1 shall be the Director of the Bureau of
11 Consumer Financial Protection (or a designee); and

12 “(4) 4 shall be appointed by the President, with
13 the advice and consent of the Senate, of whom—

14 “(A) 1 shall have expertise regarding re-
15 newable energy or energy efficiency;

16 “(B) 1 shall have expertise regarding fi-
17 nance;

18 “(C) 1 shall have expertise in industrial
19 processes and manufacturing; and

20 “(D) 1 shall have expertise regarding sus-
21 tainable transportation.

22 “(b) QUORUM.—5 members of the Board shall con-
23 stitute a quorum.

24 “(c) BYLAWS.—

1 “(1) IN GENERAL.—The Board shall adopt, and
 2 may amend, such bylaws as are necessary for the
 3 proper management and functioning of the Bank.

4 “(2) OFFICERS.—In the bylaws described in
 5 paragraph (1), the Board shall—

6 “(A) designate the officers of the Bank;
 7 and

8 “(B) prescribe the duties of those officers.

9 “(d) TERMS.—

10 “(1) INITIAL TERMS.—The initial terms of the
 11 members of the Board shall be 5 years.

12 “(2) SUBSEQUENT TERMS.—For terms begin-
 13 ning after the date that is 5 years after the date of
 14 enactment of this section, the Board shall create
 15 staggered terms of 3, 4, and 5 years for members
 16 of the Board.

17 “(e) VACANCIES.—Any vacancy on the Board shall
 18 be filled in the same manner in which the original appoint-
 19 ment was made.

20 “(f) INTERIM APPOINTMENTS.—A member appointed
 21 to fill a vacancy occurring before the expiration of the
 22 term for which the predecessor of that member was ap-
 23 pointed shall serve for the remainder of the term for which
 24 the predecessor of that member was appointed.

1 “(g) REAPPOINTMENT.—A Member of the Board
2 may be reappointed for not more than 1 additional term
3 of service as a member of the Board.

4 “(h) CONTINUATION OF SERVICE.—A member of the
5 Board whose term has expired may continue to serve on
6 the Board until the date on which a successor member
7 is appointed and confirmed.

8 “(i) CHIEF EXECUTIVE OFFICER.—The Board shall
9 appoint a Chief Executive Officer who shall be responsible
10 for—

11 “(1) hiring employees of the Bank;

12 “(2) establishing the 2 divisions of the Bank
13 described in sections 5245D and 5245E; and

14 “(3) performing any other tasks necessary for
15 the day-to-day operations of the Bank.

16 “(j) ADVISORY COMMITTEE.—

17 “(1) ESTABLISHMENT.—The Bank shall estab-
18 lish an advisory committee, which shall be composed
19 of not more than 13 members appointed by the
20 Board on the recommendation of the president of
21 the Bank.

22 “(2) MEMBERS.—Members of the advisory com-
23 mittee shall be broadly representative of interests
24 concerned with the environment, production, com-

merce, finance, agriculture, labor, services, and
State government, of whom—

“(A) not fewer than 3 shall be representatives of the small business community;

“(B) not fewer than 2 shall be representatives of the labor community, except that no 2 members may be from the same labor union;

“(C) not fewer than 2 shall be representatives of the environmental nongovernmental organization community, except that no 2 members may be from the same environmental organization;

“(D) not fewer than 2 shall be representatives of the environmental justice nongovernmental organization community, except that no 2 members may be from the same environmental organization; and

“(E) not fewer than 2 shall be representatives of the consumer protection and fair lending community, except that no 2 members may be from the same consumer protection or fair lending organization.

“(3) MEETINGS.—The advisory committee shall meet not less frequently than once each quarter.

“(4) DUTIES.—The advisory committee shall—

1 “(A) advise the Bank on the programs un-
2 dertaken by the Bank; and

3 “(B) submit to Congress an annual report
4 with comments from the advisory committee on
5 the extent to which the Bank is meeting the
6 mandate described in section 5245C, including
7 any suggestions for improvement.

8 “(k) CHIEF RISK OFFICER.—

9 “(1) APPOINTMENT.—Subject to the approval
10 of the Board, the Chief Executive Officer shall ap-
11 point a Chief Risk Officer from among individuals
12 with experience at a senior level in financial risk
13 management, who—

14 “(A) shall report directly to the Board;
15 and

16 “(B) shall be removable only by a majority
17 vote of the Board.

18 “(2) DUTIES.—The Chief Risk Officer, in co-
19 ordination with the audit and risk management com-
20 mittees established under section 5245K, shall de-
21 velop, implement, and manage a comprehensive proc-
22 ess for identifying, assessing, monitoring, and lim-
23 iting risks to the Bank, including the overall port-
24 folio diversification of the Bank.

1 **“SEC. 5245J. ADMINISTRATION.**

2 “(a) CAPITALIZATION.—

3 “(1) IN GENERAL.—The Bank shall be capital-
4 ized—

5 “(A) with \$50,000,000,000 on the date on
6 which the Bank is established under section
7 5245B; and

8 “(B) with \$10,000,000,000 for each of the
9 5 years following that date.

10 “(2) FUNDING.—

11 “(A) INITIAL CAPITALIZATION.—On the
12 date on which the Bank is established under
13 section 5245B, out of any funds in the Treas-
14 ury not otherwise appropriated, the Secretary of
15 the Treasury shall transfer to the Bank the
16 amount specified in paragraph (1)(A).

17 “(B) SUBSEQUENT TRANSFERS.—On Oc-
18 tober 1 of each fiscal year following the date on
19 which the Bank is established under section
20 5245B, out of any funds in the Treasury not
21 otherwise appropriated, the Secretary of the
22 Treasury shall transfer to the Bank the amount
23 specified in paragraph (1)(B).

24 “(b) CHARTER.—The Bank shall establish a charter,
25 the term of which shall be 30 years.

1 “(c) OPERATIONAL FUNDS.—To sustain operations,
2 the Bank shall manage revenue from financing fees, inter-
3 est, repaid loans, and other types of funding.

4 “(d) REPORT.—The Bank shall submit on a quar-
5 terly basis to the relevant committees of Congress a report
6 that describes the financial activities, emissions reduc-
7 tions, and private capital mobilization metrics of the Bank
8 for the previous quarter.

9 “(e) RESTRICTION.—The Bank shall not accept de-
10 posits.

11 “(f) COMMITTEES.—The Board shall establish com-
12 mittees and subcommittees, including—

13 “(1) an investment committee; and

14 “(2) in accordance with section 5245K—

15 “(A) a risk management committee; and

16 “(B) an audit committee.

17 “(g) PRIVATE CONTRIBUTIONS.—The Bank may ac-
18 cept and use philanthropic funds.

19 **“SEC. 5245K. ESTABLISHMENT OF RISK MANAGEMENT COM-
20 MITTEE AND AUDIT COMMITTEE.**

21 “(a) IN GENERAL.—To assist the Board in fulfilling
22 the duties and responsibilities of the Board under this
23 Chapter, the Board shall establish a risk management
24 committee and an audit committee.

1 “(b) DUTIES AND RESPONSIBILITIES OF RISK MAN-
 2 AGEMENT COMMITTEE.—Subject to the direction of the
 3 Board, the risk management committee established under
 4 subsection (a) shall establish policies for and have over-
 5 sight responsibility of—

6 “(1) formulating the risk management policies
 7 of the operations of the Bank;

8 “(2) reviewing and providing guidance on oper-
 9 ation of the global risk management framework of
 10 the Bank;

11 “(3) developing policies for—

12 “(A) investment;

13 “(B) enterprise risk management;

14 “(C) monitoring; and

15 “(D) management of strategic,
 16 reputational, regulatory, operational, develop-
 17 mental, environmental, social, and financial
 18 risks; and

19 “(4) developing the risk profile of the Bank, in-
 20 cluding—

21 “(A) a risk management and compliance
 22 framework; and

23 “(B) a governance structure to support
 24 that framework.

1 “(c) DUTIES AND RESPONSIBILITIES OF AUDIT COM-
 2 MITTEE.—Subject to the direction of the Board, the audit
 3 committee established under subsection (a) shall have
 4 oversight responsibility of—

5 “(1) the integrity of—

6 “(A) the financial reporting of the Bank;

7 and

8 “(B) the systems of internal controls re-
 9 garding finance and accounting;

10 “(2) the integrity of the financial statements of
 11 the Bank;

12 “(3) the performance of the internal audit func-
 13 tion of the Bank; and

14 “(4) compliance with the legal and regulatory
 15 requirements related to the finances of the Bank.

16 **“SEC. 5245L. EXTERNAL OVERSIGHT.**

17 “The Bank shall be subject to the oversight of the
 18 Comptroller of the Currency in accordance with section
 19 5169(c).

20 **“SEC. 5245M. MAXIMUM CONTINGENT LIABILITY.**

21 “The maximum contingent liability of the Bank that
 22 may be outstanding at any 1 time shall be not more than
 23 \$70,000,000,000 in the aggregate.”.

1 (b) EXTERNAL OVERSIGHT.—Section 5169 of the
 2 Revised Statutes (12 U.S.C. 27) is amended by adding
 3 at the end the following:

4 “(c) NATIONAL CLIMATE BANK.—The Comptroller
 5 shall exempt, expand, or alter specific regulations applica-
 6 ble to the National Climate Bank to better suit the pur-
 7 pose and business model of the National Climate Bank
 8 as an independent, nonprofit, nondepository banking insti-
 9 tution.”.

10 (c) INSPECTOR GENERAL OF THE NATIONAL CLI-
 11 MATE BANK.—

12 (1) IN GENERAL.—Section 8G(a) of the Inspec-
 13 tor General Act of 1978 (5 U.S.C. App.) is amend-
 14 ed—

15 (A) in paragraph (2), by inserting “the
 16 National Climate Bank,” after “the National
 17 Archives and Records Administration,”; and

18 (B) in paragraph (4)—

19 (i) in subparagraph (I), by striking
 20 “and” at the end;

21 (ii) in subparagraph (J), by inserting
 22 “and” after “Corporation;” and

23 (iii) by adding at the end the fol-
 24 lowing:

1 “(K) with respect to the National Climate
2 Bank, such term means the Board of Directors
3 of the National Climate Bank;”.

4 (2) APPOINTMENT.—Notwithstanding the first
5 sentence of section 8G(b) of the Inspector General
6 Act of 1978 (5 U.S.C. App.), not later than 180
7 days after the National Climate Bank is established
8 under chapter five of title LXII of the Revised Stat-
9 utes—

10 (A) the first Inspector General of the Na-
11 tional Climate Bank shall be appointed; and

12 (B) the Office of the Inspector General of
13 the National Climate Bank shall be established.

○