

109TH CONGRESS  
1ST SESSION

# H. R. 3882

To preserve competitive equity in financial services.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 22, 2005

Mr. LEACH introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To preserve competitive equity in financial services.

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 “Financial Safety and  
5 Equity Act of 2005”.

6 **SEC. 2. PRESERVATION OF COMPETITIVE EQUITY IN FINAN-**  
7 **CIAL SERVICES.**

8 Section 4 of the Bank Holding Company Act of 1956  
9 (12 U.S.C. 1843) is amended by adding at the end the  
10 following new subsection:

11 “(p) PRESERVATION OF COMPETITIVE EQUITY IN FI-  
12 NANCIAL SERVICES.—

1           “(1) IN GENERAL.—Any company that controls  
2           an industrial loan company, industrial bank or simi-  
3           lar institution described in section 2(c)(2)(H) of this  
4           Act shall become a financial holding company and  
5           shall comply with all of the conditions, requirements,  
6           restrictions and limitations that apply to a financial  
7           holding company under Federal law.

8           “(2) EXTENDED DIVESTITURE PERIOD FOR  
9           NONCONFORMING       ACTIVITIES.—Notwithstanding  
10          paragraph (1) of this subsection or subsection (a), a  
11          company that owned or controlled an industrial loan  
12          company, industrial bank or similar institution de-  
13          scribed in section 2(c)(2)(H) on January 1, 2005,  
14          and that was not a bank holding company or a for-  
15          eign bank (as defined in section 1(b)(7) of the Inter-  
16          national Banking Act of 1978) on that date shall  
17          conform its activities and investments to the require-  
18          ments of this Act no later than the date that is 5  
19          years after the effective date of this subsection.”.

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