

113TH CONGRESS
2D SESSION

S. 1912

To clarify that certain banking entities are not required to divest from collateralized debt obligations backed by trust preferred securities under the Volcker Rule.

IN THE SENATE OF THE UNITED STATES

JANUARY 9, 2014

Mr. MANCHIN (for himself and Mr. WICKER) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To clarify that certain banking entities are not required to divest from collateralized debt obligations backed by trust preferred securities under the Volcker Rule.

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. VOLCKER RULE CLARIFICATION RELATING TO**
4 **COLLATERALIZED DEBT OBLIGATIONS**
5 **BACKED BY TRUST PREFERRED SECURITIES.**

6 Section 13(g) of the Bank Holding Company Act of
7 1956 (12 U.S.C. 1851(g)) is amended by adding at the
8 end the following:

1 “(4) TRUST PREFERRED SECURITIES.—Nothing
2 in this section shall require or be construed to re-
3 quire a banking entity having total consolidated as-
4 sets of less than \$50,000,000,000 or an organization
5 that is a mutual holding company to divest from any
6 collateralized debt obligation issued before May 19,
7 2010, if—

8 “(A) the primary purpose for any such ob-
9 ligation was as a vehicle for trust preferred se-
10 curities; and

11 “(B) the investment in any such obligation
12 was made on or before December 10, 2013.”.

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