

113TH CONGRESS
2^D SESSION

S. 2696

To require the Federal Reserve to make certain changes to the small bank holding company policy statement on assessment of financial and managerial factors, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 30, 2014

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

A BILL

To require the Federal Reserve to make certain changes to the small bank holding company policy statement on assessment of financial and managerial factors, 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. CHANGES REQUIRED TO SMALL BANK HOLD-**
4 **ING COMPANY POLICY STATEMENT ON AS-**
5 **SESSMENT OF FINANCIAL AND MANAGERIAL**
6 **FACTORS.**

7 (a) IN GENERAL.—Before the end of the 6-month pe-
8 riod beginning on the date of the enactment of this Act,

1 the Board of Governors of the Federal Reserve System
2 (hereafter in this Act referred to as the “Board”) shall
3 publish in the Federal Register proposed revisions to the
4 Small Bank Holding Company Policy Statement on As-
5 sessment of Financial and Managerial Factors (12 C.F.R.
6 part 225 appendix C) that provide that the policy shall
7 apply to bank holding companies and savings and loan
8 holding companies which have pro forma consolidated as-
9 sets of less than \$1,000,000,000 and that—

10 (1) are not engaged in significant nonbanking
11 activities either directly or through a nonbank sub-
12 sidiary;

13 (2) do not conduct significant off-balance sheet
14 activities (including securitization and asset manage-
15 ment or administration) either directly or through a
16 nonbank subsidiary; and

17 (3) do not have a material amount of debt or
18 equity securities outstanding (other than trust pre-
19 ferred securities) that are registered with the Securi-
20 ties and Exchange Commission.

21 (b) EXCLUSIONS.—The Board may exclude any bank
22 holding company or savings and loan holding company, re-
23 gardless of asset size, from the policy statement under
24 subsection (a) if the Board determines that such action
25 is warranted for supervisory purposes.

1 **SEC. 2. CONFORMING AMENDMENT.**

2 Section 171(b)(5)(C) of the Dodd-Frank Wall Street
3 Reform and Consumer Protection Act (12 U.S.C.
4 5371(b)(5)(C)) is amended by inserting “or small savings
5 and loan holding company” after “any small bank holding
6 company”.

7 **SEC. 3. DEFINITIONS.**

8 For the purposes of this Act:

9 (a) **BANK HOLDING COMPANY.**—The term “bank
10 holding company” has the same meaning as in section 2
11 of the Bank Holding Company Act of 1956 (12 U.S.C.
12 1841).

13 (b) **SAVINGS AND LOAN HOLDING.**—The term “sav-
14 ings and loan holding company” has the same meaning
15 as in section 10(a) of the Home Owners’ Loan Act (12
16 U.S.C. 1467a(a)).

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