

Union Calendar No. 788

115TH CONGRESS
2^D SESSION

H. R. 3626

[Report No. 115–1007]

To amend the Bank Service Company Act to provide improvements with respect to State banking agencies, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2017

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

NOVEMBER 2, 2018

Additional sponsors: Mr. MEEKS, Mrs. LOVE, Mrs. WAGNER, Mr. BUDD, and Mr. GONZALEZ of Texas

NOVEMBER 2, 2018

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in *italic*]

A BILL

To amend the Bank Service Company Act to provide improvements with respect to State banking agencies, 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 “Bank Service Company
5 Examination Coordination Act of 2017”.

6 **SEC. 2. BANK SERVICE COMPANY ACT IMPROVEMENTS.**

7 The Bank Service Company Act (12 U.S.C. 1861 et
8 seq.) is amended—

9 (1) in section 1(b)—

10 (A) by redesignating paragraphs (2)
11 through (9) as paragraphs (3) through (10), re-
12 spectively; and

13 (B) by inserting after paragraph (1) the
14 following:

15 “(2) the term ‘State banking agency’ shall have
16 the same meaning given the term ‘State Bank Su-
17 pervisor’ under section 3 of the Federal Deposit In-
18 surance Act;”;

19 (2) in section 5(a), by inserting “, in consulta-
20 tion with the State banking agency,” after “banking
21 agency”; and

22 (3) in section 7—

23 (A) in subsection (a)—

1 (i) in the first sentence, by inserting
2 “or State banking agency” after “appro-
3 priate Federal banking agency”; and

4 (ii) in the second sentence, by striking
5 “Federal banking agency that supervises
6 any other shareholder or member” and in-
7 serting “Federal or State banking agency
8 that supervises any other shareholder or
9 member”;

10 (B) in subsection (c)—

11 (i) by inserting “or a State banking
12 agency” after “appropriate Federal bank-
13 ing agency”;

14 (ii) by striking “such agency” each
15 place such term appears and inserting
16 “such Federal or State agency”;

17 (C) by redesignating subsection (d) as sub-
18 section (f);

19 (D) by inserting after subsection (c) the
20 following:

21 “(d) AVAILABILITY OF INFORMATION.—Information
22 obtained pursuant to the regulation and examination of
23 service providers under this section or applicable State law
24 may be furnished by and accessible to Federal and State
25 agencies to the same extent that supervisory information

1 concerning depository institutions is authorized to be fur-
 2 nished to and required to be accessible by Federal and
 3 State agencies under section 7(a)(2) of the Federal De-
 4 posit Insurance Act (12 U.S.C. 1817(a)(2)) or State law,
 5 as applicable.

6 “(e) COORDINATION WITH STATE BANKING AGEN-
 7 CIES.—Where a State bank is principal shareholder or
 8 principal member of a bank service company or where a
 9 State bank is any other shareholder or member of the
 10 bank service company, the appropriate Federal banking
 11 agency, in carrying out ~~the examination duties~~ *examina-*
 12 *tions* authorized by this section, shall—

13 “(1) provide reasonable and timely notice to;
 14 ~~and consult with~~ the State banking agency; and

15 “(2) to the fullest extent possible, coordinate
 16 and avoid duplication of examination activities, re-
 17 porting requirements, and requests for informa-
 18 tion.”; ~~and~~

19 (E) in subsection (f), as so redesignated,
 20 by inserting “, in consultation with State bank-
 21 ing agencies,” after “appropriate Federal bank-
 22 ing agencies”; *and*

23 *(F) by adding at the end the following:*

24 “(g) *RULE OF CONSTRUCTION.—Nothing in this sec-*
 25 *tion shall be construed as granting authority for a State*

- 1 *banking agency to examine a bank service company where*
- 2 *no such authority exists in State law.”.*

Union Calendar No. 788

115TH CONGRESS
2D Session

H. R. 3626

[Report No. 115-1007]

A BILL

To amend the Bank Service Company Act to provide improvements with respect to State banking agencies, and for other purposes.

NOVEMBER 2, 2018

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed