

115TH CONGRESS
1ST SESSION

S. 1264

To amend the Federal Deposit Insurance Act to allow the Federal Deposit Insurance Corporation to exempt certain depository institutions from certain legal requirements, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 25, 2017

Ms. COLLINS introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Federal Deposit Insurance Act to allow the Federal Deposit Insurance Corporation to exempt certain depository institutions from certain legal requirements, 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 “Community Bank Sen-
5 sible Regulation Act of 2017”.

1 **SEC. 2. EXEMPTIVE AUTHORITY FOR THE FEDERAL DE-**
 2 **POSIT INSURANCE CORPORATION.**

3 Section 10 of the Federal Deposit Insurance Act (12
 4 U.S.C. 1820) is amended by adding at the end the fol-
 5 lowing:

6 “(1) EXEMPTIVE AUTHORITY.—

7 “(1) IN GENERAL.—Notwithstanding any other
 8 provision of law, the Corporation, after considering
 9 the factors in paragraph (3), may exempt by rule
 10 any depository institution having less than
 11 \$10,000,000,000 in total assets from—

12 “(A) any provision of this Act;

13 “(B) any rule promulgated under this Act;

14 or

15 “(C) any rule promulgated under any
 16 other Act that confers authority to the Corpora-
 17 tion.

18 “(2) CONDITIONS.—The Corporation may im-
 19 pose conditions on an exemption granted under
 20 paragraph (1).

21 “(3) FACTORS TO CONSIDER.—In granting an
 22 exemption under paragraph (1), the Corporation
 23 shall consider, as appropriate, the extent to which—

24 “(A) the provision or rule would impose an
 25 unnecessary or undue burden or cost on the de-
 26 pository institution;

1 “(B) the provision or rule is unnecessary
2 or unwarranted in order to promote the safety
3 and soundness of the depository institution; and

4 “(C) the exemption is necessary, appro-
5 priate, or consistent with the public interest.

6 “(4) INDEXATION OF ASSET THRESHOLD.—The
7 asset threshold identified in paragraph (1) shall be
8 increased annually at a percentage equal to the per-
9 centage change in the total aggregate assets of in-
10 sured depository institutions for each 12-month pe-
11 riod ending in December of each year, rounded to
12 the nearest \$10,000,000.”.

13 **SEC. 3. EXEMPTIVE AUTHORITY FOR THE OFFICE OF THE**
14 **COMPTROLLER OF THE CURRENCY.**

15 (a) EXEMPTIVE AUTHORITY WITH RESPECT TO NA-
16 TIONAL BANKS.—Section 5239A of the Revised Statutes
17 (12 U.S.C. 93a) is amended—

18 (1) by striking “Except” and inserting the fol-
19 lowing:

20 “(a) IN GENERAL.—Except”; and

21 (2) by adding at the end the following:

22 “(b) EXEMPTIVE AUTHORITY.—

23 “(1) DEFINITION.—In this subsection, the term
24 ‘insured depository institution’ has the meaning

1 given the term in section 3(c) of the Federal Deposit
2 Insurance Act (12 U.S.C. 1813(c)).

3 “(2) EXEMPTION.—Notwithstanding any other
4 provision of law, the Comptroller of the Currency,
5 after considering the factors in paragraph (4), may
6 exempt by rule any national bank having less than
7 \$10,000,000,000 in total assets from—

8 “(A) any provision of this title;

9 “(B) any rule promulgated under this title;

10 or

11 “(C) any rule promulgated under any
12 other title or Act that confers authority to the
13 Comptroller.

14 “(3) CONDITIONS.—The Comptroller of the
15 Currency may impose conditions on an exemption
16 granted under paragraph (2).

17 “(4) FACTORS TO CONSIDER.—In granting an
18 exemption under paragraph (2), the Comptroller of
19 the Currency shall consider, as appropriate, the ex-
20 tent to which—

21 “(A) the provision or rule would impose an
22 unnecessary or undue burden or cost on the na-
23 tional bank;

1 “(B) the provision or rule is unnecessary
2 or unwarranted in order to promote the safety
3 and soundness of the national bank; and

4 “(C) the exemption is necessary, appro-
5 priate, or consistent with the public interest.

6 “(5) INDEXATION OF ASSET THRESHOLD.—The
7 asset threshold identified in paragraph (1) shall be
8 increased annually at a percentage equal to the per-
9 centage change in the total aggregate assets of in-
10 sured depository institutions for each 12-month pe-
11 riod ending in December of each year, rounded to
12 the nearest \$10,000,000.”.

13 (b) EXEMPTIVE AUTHORITY WITH RESPECT TO SAV-
14 INGS ASSOCIATIONS.—Section 4(a) of the Home Owners’
15 Loan Act (12 U.S.C. 1463(a)) is amended by adding at
16 the end the following:

17 “(4) EXEMPTIVE AUTHORITY.—

18 “(A) DEFINITION.—In this paragraph, the
19 term ‘insured depository institution’ has the
20 meaning given the term in section 3(c) of the
21 Federal Deposit Insurance Act (12 U.S.C.
22 1813(c)).

23 “(B) EXEMPTION.—Notwithstanding any
24 other provision of law, the Comptroller, after
25 considering the factors in subparagraph (D),

1 may exempt by rule any savings association
 2 having less than \$10,000,000,000 in total as-
 3 sets from—

4 “(i) any provision of this Act;

5 “(ii) any rule promulgated under this
 6 Act; or

7 “(iii) any rule promulgated under any
 8 other Act that confers authority on the
 9 Comptroller.

10 “(C) CONDITIONS.—The Comptroller may
 11 impose conditions on an exemption granted
 12 under subparagraph (B).

13 “(D) FACTORS TO CONSIDER.—In grant-
 14 ing an exemption under subparagraph (B), the
 15 Comptroller shall consider, as appropriate, the
 16 extent to which—

17 “(i) the provision or rule would im-
 18 pose an unnecessary or undue burden or
 19 cost on the savings association;

20 “(ii) the provision or rule is unneces-
 21 sary or unwarranted in order to promote
 22 the safety and soundness of the savings as-
 23 sociation; and

1 “(iii) the exemption is necessary, ap-
 2 propriate, or consistent with the public in-
 3 terest.

4 “(E) INDEXATION OF ASSET THRESH-
 5 OLD.—The asset threshold identified in sub-
 6 paragraph (B) shall be increased annually at a
 7 percentage equal to the percentage change in
 8 the total aggregate assets of insured depository
 9 institutions for each 12-month period ending in
 10 December of each year, rounded to the nearest
 11 \$10,000,000.”.

12 **SEC. 4. EXEMPTIVE AUTHORITY FOR THE BOARD OF GOV-
 13 ERNORS OF THE FEDERAL RESERVE SYSTEM.**

14 (a) EXEMPTIVE AUTHORITY WITH RESPECT TO
 15 STATE MEMBER BANKS.—Section 11 of the Federal Re-
 16 serve Act (12 U.S.C. 248) is amended—

17 (1) by redesignating the second subsection (s)
 18 (relating to assessments, fees, and other charges for
 19 certain companies) as subsection (t); and

20 (2) by adding at the end the following:

21 “(u) EXEMPTIVE AUTHORITY.—

22 “(1) DEFINITION.—In this section, the term
 23 ‘insured depository institution’ has the meaning
 24 given the term in section 3(c) of the Federal Deposit
 25 Insurance Act (12 U.S.C. 1813(c)).

1 “(2) EXEMPTION.—Notwithstanding any other
 2 provision of law, the Board, after considering the
 3 factors in paragraph (4), may exempt by rule any
 4 State member bank having less than
 5 \$10,000,000,000 in total assets from—

6 “(A) any provision of this Act;

7 “(B) any rule promulgated under this Act;

8 or

9 “(C) any rule promulgated under any
 10 other Act that confers authority on the Board.

11 “(3) CONDITIONS.—The Board may impose
 12 conditions on an exemption granted under para-
 13 graph (2).

14 “(4) FACTORS TO CONSIDER.—In granting an
 15 exemption under paragraph (2), the Board shall con-
 16 sider, as appropriate, the extent to which—

17 “(A) the provision or rule would impose an
 18 unnecessary or undue burden or cost on the
 19 State member bank;

20 “(B) the provision or rule is unnecessary
 21 or unwarranted in order to promote the safety
 22 and soundness of the State member bank; and

23 “(C) the exemption is necessary, appro-
 24 priate, or consistent with the public interest.”.

1 “(5) INDEXATION OF ASSET THRESHOLD.—The
 2 asset threshold identified in paragraph (2) shall be
 3 increased annually at a percentage equal to the per-
 4 centage change in the total aggregate assets of in-
 5 sured depository institutions for each 12-month pe-
 6 riod ending in December of each year, rounded to
 7 the nearest \$10,000,000.”.

8 (b) EXEMPTIVE AUTHORITY WITH RESPECT TO
 9 BANK HOLDING COMPANIES.—The Bank Holding Com-
 10 pany Act of 1956 (12 U.S.C. 1841 et seq.) is amended
 11 by adding at the end the following:

12 **“SEC. 15. EXEMPTIVE AUTHORITY.**

13 “(a) DEFINITION.—In this section, the term ‘insured
 14 depository institution’ has the meaning given the term in
 15 section 3(c) of the Federal Deposit Insurance Act (12
 16 U.S.C. 1813(c)).

17 “(b) EXEMPTION.—Notwithstanding any other provi-
 18 sion of law, the Board, after considering the factors in
 19 subsection (d), may exempt by rule any bank holding com-
 20 pany having less than \$10,000,000,000 in total assets
 21 from—

22 “(1) any provision of this Act;

23 “(2) any rule promulgated under this Act; or

24 “(3) any rule promulgated under any other Act
 25 that confers authority on the Board.

1 “(c) CONDITIONS.—The Board may impose condi-
2 tions on an exemption granted under subsection (b).

3 “(d) FACTORS TO CONSIDER.—In granting an ex-
4 emption under subsection (b), the Board shall consider,
5 as appropriate, the extent to which—

6 “(1) the provision or rule would impose an un-
7 necessary or undue burden or cost on the bank hold-
8 ing company;

9 “(2) the provision or rule is unnecessary or un-
10 warranted in order to promote the safety and sound-
11 ness of the bank holding company; and

12 “(3) the exemption is necessary, appropriate, or
13 consistent with the public interest.

14 “(e) INDEXATION OF ASSET THRESHOLD.—The
15 asset threshold identified in subsection (b) shall be in-
16 creased annually at a percentage equal to the percentage
17 change in the total aggregate assets of insured depository
18 institutions for each 12-month period ending in December
19 of each year, rounded to the nearest \$10,000,000.”.

20 (c) EXEMPTIVE AUTHORITY FOR SAVINGS AND LOAN
21 HOLDING COMPANIES AND MUTUAL HOLDING COMPA-
22 NIES.—Section 10 of the Home Owners’ Loan Act (12
23 U.S.C. 1467a) is amended by adding at the end the fol-
24 lowing:

25 “(u) EXEMPTIVE AUTHORITY.—

1 “(1) DEFINITIONS.—In this subsection—

2 “(A) the term ‘insured depository institu-
3 tion’ has the meaning given the term in section
4 3(c) of the Federal Deposit Insurance Act (12
5 U.S.C. 1813(c)); and

6 “(B) the term ‘mutual holding company’
7 has the meaning given the term in subsection
8 (o)(10)(A).

9 “(2) EXEMPTION.—Notwithstanding any other
10 provision of law, the Board, after considering the
11 factors in paragraph (4), may exempt by rule any
12 savings and loan holding company or any mutual
13 holding company having less than \$10,000,000,000
14 in total assets from—

15 “(A) any provision of this Act;

16 “(B) any rule promulgated under this Act;

17 or

18 “(C) any rule promulgated under any
19 other Act that confers authority on the Board.

20 “(3) CONDITIONS.—The Board may impose
21 conditions on an exemption granted under para-
22 graph (2).

23 “(4) FACTORS TO CONSIDER.—In granting an
24 exemption under paragraph (2), the Board shall con-
25 sider the extent to which—

1 “(A) the provision or rule would impose an
2 unnecessary or undue burden or cost on the
3 savings and loan holding company or the mu-
4 tual holding company;

5 “(B) the provision or rule is unnecessary
6 or unwarranted in order to promote the safety
7 and soundness of the savings and loan holding
8 company or the mutual holding company; and

9 “(C) the exemption is necessary, appro-
10 priate, or consistent with the public interest.

11 “(5) LIMITATION.—The authority granted to
12 the Board under paragraph (2) shall not apply with
13 respect to a savings and loan holding company de-
14 scribed in subsection (c)(9)(C).

15 “(6) INDEXATION OF ASSET THRESHOLD.—The
16 asset threshold identified in paragraph (2) shall be
17 increased annually at a percentage equal to the per-
18 centage change in the total aggregate assets of in-
19 sured depository institutions for each 12-month pe-
20 riod ending in December of each year, rounded to
21 the nearest \$10,000,000.”.

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