

**AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
**TO H.R. 5276**  
**OFFERED BY MRS. KIM OF CALIFORNIA**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Community Bank Le-  
3 verage Improvement and Flexibility for Transparency  
4 Act” or the “Community Bank LIFT Act”.

**5 SEC. 2. COMMUNITY BANK LEVERAGE RATIO.**

6       (a) IN GENERAL.—Section 201 of the Economic  
7 Growth, Regulatory Relief, and Consumer Protection Act  
8 (12 U.S.C. 5371 note) is amended—

9           (1) in subsection (a)(3)(A), by striking  
10       “\$10,000,000,000” and inserting  
11       “\$15,000,000,000”; and

12           (2) in subsection (b)(1), by striking “not less  
13       than 8 percent and not more than 10 percent” and  
14       inserting “not less than 6 percent and not more  
15       than 8 percent”.

16       (b) RULEMAKING DEADLINE.—Not later than the  
17 end of the 180-day period beginning on the date of enact-  
18 ment of this Act, and after reviewing the report issued

1 pursuant to section 3(b), the Board of Governors of the  
2 Federal Reserve System, the Comptroller of the Currency,  
3 and the Federal Deposit Insurance Corporation shall pro-  
4 pose and, not later than 1 year after the date of the enact-  
5 ment of this Act, such agencies shall finalize rules to carry  
6 out the amendments made by subsection (a) and the rec-  
7 ommended modifications contained in such report.

8 **SEC. 3. REVIEW OF THE COMMUNITY BANK LEVERAGE**  
9 **RATIO.**

10 (a) IN GENERAL.—The Board of Governors of the  
11 Federal Reserve System, the Comptroller of the Currency,  
12 and the Federal Deposit Insurance Corporation shall com-  
13 mence a review of the Community Bank Leverage Ratio  
14 (“CBLR”) developed under section 201 of the Economic  
15 Growth, Regulatory Relief, and Consumer Protection Act  
16 (12 U.S.C. 5371 note), and rules issued thereunder, which  
17 shall include a consideration of how to modify and cali-  
18 brate the CBLR to encourage more qualifying community  
19 banks to opt-in to the CBLR framework, with an addi-  
20 tional focus on—

- 21 (1) those qualifying community banks with  
22 fewer assets; and  
23 (2) providing regulatory compliance burden re-  
24 lief so that the CBLR is simple to apply.

1 (b) REPORT.—Not later than the end of the 150-day  
2 period beginning on the date of enactment of this Act, the  
3 Board of Governors of the Federal Reserve System, the  
4 Comptroller of the Currency, and the Federal Deposit In-  
5 surance Corporation shall issue a report to the Committee  
6 on Financial Services of the House of Representatives and  
7 the Committee on Banking, Housing, and Urban Affairs  
8 of the Senate containing—

9 (1) all findings and determinations made in car-  
10 rying out the review under subsection (a); and

11 (2) specific recommendations on modifications,  
12 if any, to—

13 (A) the calculation of the numerator and  
14 denominator of the CBLR;

15 (B) the treatment of specific asset classes  
16 or exposures to better reflect the risk profiles of  
17 community banks;

18 (C) the definition of and qualifying criteria  
19 for a qualifying community bank;

20 (D) enhancements to the procedures for  
21 opting into or out of the CBLR framework, in-  
22 cluding streamlined reporting and transition  
23 mechanisms;

1 (E) the grace period to facilitate the tran-  
2 sition to and from a modified CBLR regime;  
3 and

4 (F) any statutory changes that may be  
5 needed to address such recommendations.

6 (c) QUALIFYING COMMUNITY BANK DEFINED.—In  
7 this section, the term “qualifying community bank” has  
8 the meaning given that term in section 201(a)(3)(A) of  
9 the Economic Growth, Regulatory Relief, and Consumer  
10 Protection Act (12 U.S.C. 5371 note).

