

[DISCUSSION DRAFT]

119TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To direct certain Federal banking and credit union agencies to promote the formation of de novo regulated institutions through the review of application processes, the review of capital raising by de novo regulated institutions, and the establishment of various outreach programs, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Ms. WATERS introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

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**A BILL**

To direct certain Federal banking and credit union agencies to promote the formation of de novo regulated institutions through the review of application processes, the review of capital raising by de novo regulated institutions, and the establishment of various outreach programs, 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 “American Access to  
5 Banking Act”.

1 **SEC. 2. STREAMLINING APPLICATION PROCESS AND RE-**  
2 **VIEW OF CAPITAL RAISING BY DE NOVO REG-**  
3 **ULATED INSTITUTIONS.**

4 (a) **IN GENERAL.**—Each of the Federal financial in-  
5 stitutions regulatory agencies shall—

6 (1) for the purpose of simplifying and stream-  
7 lining the process of applying to become a de novo  
8 regulated institution, conduct a review of any appli-  
9 cation forms related to such process;

10 (2) to the extent practicable, gather information  
11 needed from applicants seeking to become a de novo  
12 regulated institution from other Federal Government  
13 agencies or public sources to minimize information  
14 requests of such applicants; and

15 (3) in consultation with the Securities and Ex-  
16 change Commission, review how de novo regulated  
17 institutions raise capital while maintaining investor  
18 protections, including the impact of—

19 (A) general capital raising restrictions; and

20 (B) capital raising restrictions related to  
21 individuals who are not accredited investors.

22 (b) **REPORT.**—Not later than 1 year after the date  
23 of the enactment of this section, and annually for 5 years  
24 thereafter, each of the Federal financial institutions regu-  
25 latory agencies shall submit to the Congress and publish

1 on a public website of such agency a report that con-  
2 tains—

3 (1) a description of the actions taken by such  
4 agency pursuant to subsection (a); and

5 (2) as appropriate, any administrative or legis-  
6 lative recommendations with respect to the purpose  
7 described in subsection (a)(3).

8 **SEC. 3. IMPROVING COMMUNICATION WITH DE NOVO REG-**  
9 **ULATED INSTITUTIONS.**

10 (a) **IN GENERAL.**—Each of the Federal financial in-  
11 stitutions regulatory agencies shall, at the request of an  
12 applicant to become a de novo regulated institution, des-  
13 ignate an employee of the agency as a caseworker, who  
14 may perform such duty in addition to the other duties of  
15 the employee.

16 (b) **CASEWORKER DUTIES.**—Each caseworker de-  
17 scribed in subsection (a) shall, to the maximum extent  
18 practicable—

19 (1) meet with the lead organizers applying to  
20 become a de novo regulated institution to provide a  
21 tutorial with respect to the application process; and

22 (2) be the primary point of contact of the re-  
23 spective Federal financial institutions regulatory  
24 agency for such organizers during the application  
25 process.

1 (c) NEW CASEWORKER.—Each agency described in  
2 subsection (a) may designate a new caseworker, as appro-  
3 priate, to support continuity based on staffing and respon-  
4 sibilities assigned to the current caseworker.

5 **SEC. 4. DE NOVO MENTOR-PROTÉGÉ PARTNERSHIPS.**

6 (a) IN GENERAL.—At the request of an institution  
7 that seeks to become a de novo regulated institution, each  
8 of the Federal financial institutions regulatory agencies  
9 shall, to the maximum extent practicable, provide a list  
10 to such institution of similar types of institutions that—

11 (1) were recently approved to become a de novo  
12 regulated institution; and

13 (2) are interested in volunteering to serve as a  
14 mentor to provide advice about the de novo applica-  
15 tion process.

16 (b) MENTORSHIP INFORMATION.—Not later than 1  
17 year after the date of the enactment of this section, each  
18 of the Federal financial institutions regulatory agencies  
19 shall provide public information and directions on how an  
20 institution may request a mentor or serve as a mentor as  
21 described in subsection (a).

22 **SEC. 5. STATE AND STAKEHOLDER ENGAGEMENT PLAN.**

23 (a) IN GENERAL.—Each of the Federal financial in-  
24 stitutions regulatory agencies shall develop a plan to—

1           (1) regularly consult with State regulators to  
2           promote cooperation between State and Federal  
3           banking and credit union agencies in the creation of  
4           de novo regulated institutions, including responding  
5           to any State regulator that requests assistance on  
6           how a State-chartered financial institution can re-  
7           quest Federal insurance;

8           (2) regularly consult with stakeholders, includ-  
9           ing applicants to become de novo regulated institu-  
10          tions and recently approved regulated institutions, to  
11          inform any reforms that may support the creation of  
12          de novo regulated institutions, including rural insti-  
13          tutions, community development financial institu-  
14          tions, and minority depository institutions; and

15          (3) provide guidance, training material, and  
16          regular workshops to assist any interested parties to  
17          understand such agencies processes.

18          (b) SUBMISSION TO CONGRESS.—

19                 (1) IN GENERAL.—Not later than 2 years after  
20                 the date of the enactment of this section, and every  
21                 5 years thereafter, each of the Federal financial in-  
22                 stitutions regulatory agencies shall submit to the  
23                 Congress the respective plan of such agency de-  
24                 scribed in subsection (a).

1           (2) PUBLIC COMMENT.—With respect to devel-  
2           oping the plan described in subsection (a), each of  
3           the Federal financial institutions regulatory agencies  
4           shall—

5                   (A) provide an opportunity for public com-  
6                   ments; and

7                   (B) take such public comments into consid-  
8                   eration.

9 **SEC. 6. DEFINITIONS.**

10          (a) IN GENERAL.—In this Act:

11               (1) FEDERAL BANKING AGENCY.—The term  
12               “Federal banking agency” has the meaning given  
13               the term in section 3 of the Federal Deposit Insur-  
14               ance Act (12 U.S.C. 1813).

15               (2) FEDERAL FINANCIAL INSTITUTIONS REGU-  
16               LATORY AGENCIES.—The term “Federal financial in-  
17               stitutions regulatory agencies” has the meaning  
18               given the term in section 1003 of the Federal Finan-  
19               cial Institutions Examination Council Act of 1978  
20               (12 U.S.C. 3302).

21               (3) REGULATED INSTITUTION.—The term “reg-  
22               ulated institution” means—

23                   (A) with respect to a Federal banking  
24                   agency, a depository institution (as such term is  
25                   defined in section 3 of the Federal Deposit In-

1           surance Act (12 U.S.C. 1813)) for which the  
2           Federal banking agency is the appropriate Fed-  
3           eral banking agency (as such term is defined in  
4           such section 3); and

5           (B) with respect to the National Credit  
6           Union Administration, an insured credit union  
7           (as such term is defined in section 101 of the  
8           Federal Credit Union Act (12 U.S.C. 1752)).

9           (4) STATE.—The term “State” means each of  
10          the several States, the District of Colombia, and  
11          each territory of the United States.

12          (5) STATE REGULATOR.—The term “State reg-  
13          ulator” means—

14                (A) with respect to a Federal banking  
15                agency, a State banking regulator; and

16                (B) with respect to the National Credit  
17                Union Administration, the State regulatory  
18                agency having jurisdiction over a State credit  
19                union (as such term is defined in section 101  
20                of the Federal Credit Union Act (12 U.S.C.  
21                1752)).

22          (b) RULE OF CONSTRUCTION.—For purposes of this  
23          Act, the process of applying to become a de novo regulated  
24          institution shall include the process of applying for Fed-

1 eral deposit insurance, Federal share insurance, or mem-  
2 bership of a Federal reserve bank.