

**AMENDMENT IN THE NATURE OF A SUBSTITUTE TO  
H.R. 1478  
OFFERED BY MR. POSEY OF FLORIDA**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Policyholder Protection  
3 Act of 2015”.

**4 SEC. 2. ENSURING THE PROTECTION OF INSURANCE POL-  
5 ICYHOLDERS.**

6       (a) SOURCE OF STRENGTH.—Section 38A of the  
7 Federal Deposit Insurance Act (12 U.S.C. 1831o–1) is  
8 amended—

9           (1) by redesignating subsections (c), (d), and  
10       (e) as subsections (d), (e), and (f), respectively; and

11           (2) by inserting after subsection (b) the fol-  
12       lowing:

13       “(c) AUTHORITY OF STATE INSURANCE REGU-  
14       LATOR.—

15           “(1) IN GENERAL.—The provisions of section  
16       5(g) of the Bank Holding Company Act of 1956 (12  
17       U.S.C. 1844(g)) shall apply to a savings and loan  
18       holding company that is an insurance company, an

1 affiliate of an insured depository institution that is  
2 an insurance company, and to any other company  
3 that is an insurance company and that directly or  
4 indirectly controls an insured depository institution,  
5 to the same extent as the provisions of that section  
6 apply to a bank holding company that is an insur-  
7 ance company.

8 “(2) RULE OF CONSTRUCTION.—Requiring a  
9 bank holding company that is an insurance com-  
10 pany, a savings and loan holding company that is an  
11 insurance company, an affiliate of an insured deposi-  
12 tory institution that is an insurance company, or any  
13 other company that is an insurance company and  
14 that directly or indirectly controls an insured deposi-  
15 tory institution to serve as a source of financial  
16 strength under this section shall be deemed an ac-  
17 tion of the Board that requires a bank holding com-  
18 pany to provide funds or other assets to a subsidiary  
19 depository institution for purposes of section 5(g) of  
20 the Bank Holding Company Act of 1956 (12 U.S.C.  
21 1844(g)).”.

22 (b) LIQUIDATION AUTHORITY.—The Dodd-Frank  
23 Wall Street Reform and Consumer Protection Act (12  
24 U.S.C. 5301 et seq.) is amended—

1           (1) in section 203(e)(3) (12 U.S.C. 5383(e)(3)),  
2           by inserting “or rehabilitation” after “orderly liq-  
3           uidation” each place that term appears; and

4           (2) in section 204(d)(4) (12 U.S.C.  
5           5384(d)(4)), by inserting before the semicolon at the  
6           end the following: “, except that, if the covered fi-  
7           nancial company or covered subsidiary is an insur-  
8           ance company or a subsidiary of an insurance com-  
9           pany, the Corporation—

10                   “(A) shall promptly notify the State insur-  
11                   ance authority for the insurance company of the  
12                   intention to take such lien; and

13                   “(B) may only take such lien—

14                           “(i) to secure repayment of funds  
15                           made available to such covered financial  
16                           company or covered subsidiary; and

17                           “(ii) if the Corporation determines,  
18                           after consultation with the State insurance  
19                           authority, that such lien will not unduly  
20                           impede or delay the liquidation or rehabili-  
21                           tation of the insurance company, or the re-  
22                           covery by its policyholders”.

