

114TH CONGRESS
1ST SESSION

H. R. 299

To amend the Federal Home Loan Bank Act to authorize privately insured credit unions to become members of a Federal home loan bank, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 2015

Mr. STIVERS (for himself, Mrs. BEATTY, Mr. TIBERI, and Mr. CARSON of Indiana) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Federal Home Loan Bank Act to authorize privately insured credit unions to become members of a Federal home loan bank, 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 “Capital Access for
5 Small Community Financial Institutions Act of 2015”.

1 **SEC. 2. PRIVATELY INSURED CREDIT UNIONS AUTHORIZED**
2 **TO BECOME MEMBERS OF A FEDERAL HOME**
3 **LOAN BANK.**

4 (a) IN GENERAL.—Section 4(a) of the Federal Home
5 Loan Bank Act (12 U.S.C. 1424(a)) is amended by adding
6 at the end the following new paragraph:

7 “(5) CERTAIN PRIVATELY INSURED CREDIT
8 UNIONS.—

9 “(A) IN GENERAL.—Subject to the re-
10 quirements of subparagraph (B), a credit union
11 shall be treated as an insured depository insti-
12 tution for purposes of determining the eligibility
13 of such credit union for membership in a Fed-
14 eral home loan bank under paragraphs (1), (2),
15 and (3).

16 “(B) CERTIFICATION BY APPROPRIATE SU-
17 PERVISOR.—

18 “(i) IN GENERAL.—For purposes of
19 this paragraph and subject to clause (ii), a
20 credit union which lacks Federal deposit
21 insurance and which has applied for mem-
22 bership in a Federal home loan bank may
23 be treated as meeting all the eligibility re-
24 quirements for Federal deposit insurance
25 only if the appropriate supervisor of the
26 State in which the credit union is char-

1 tered has determined that the credit union
2 meets all the eligibility requirements for
3 Federal deposit insurance as of the date of
4 the application for membership.

5 “(ii) CERTIFICATION DEEMED
6 VALID.—If, in the case of any credit union
7 to which clause (i) applies, the appropriate
8 supervisor of the State in which such cred-
9 it union is chartered fails to make a deter-
10 mination pursuant to such clause by the
11 end of the 6-month period beginning on
12 the date of the application, the credit
13 union shall be deemed to have met the re-
14 quirements of clause (i).

15 “(C) SECURITY INTERESTS OF FEDERAL
16 HOME LOAN BANK NOT AVOIDABLE.—Notwith-
17 standing any provision of State law authorizing
18 a conservator or liquidating agent of a credit
19 union to repudiate contracts, no such provision
20 shall apply with respect to—

21 “(i) any extension of credit from any
22 Federal home loan bank to any credit
23 union which is a member of any such bank
24 pursuant to this paragraph; or

1 “(ii) any security interest in the as-
2 sets of such credit union securing any such
3 extension of credit.

4 “(D) PROTECTION FOR CERTAIN FEDERAL
5 HOME LOAN BANK ADVANCES.—Notwith-
6 standing any State law to the contrary, if a
7 Bank makes an advance under section 10 to a
8 State-chartered credit union that is not feder-
9 ally insured—

10 “(i) the Bank’s interest in any collat-
11 eral securing such advance has the same
12 priority and is afforded the same standing
13 and rights that the security interest would
14 have had if the advance had been made to
15 a federally insured credit union; and

16 “(ii) the Bank has the same right to
17 access such collateral that the Bank would
18 have had if the advance had been made to
19 a federally insured credit union.”.

20 (b) COPIES OF AUDITS OF PRIVATE INSURERS OF
21 CERTAIN DEPOSITORY INSTITUTIONS REQUIRED TO BE
22 PROVIDED TO SUPERVISORY AGENCIES.—Section
23 43(a)(2)(A) of the Federal Deposit Insurance Act (12
24 U.S.C. 1831t(a)(2)(A)) is amended—

25 (1) in clause (i), by striking “and” at the end;

1 (2) in clause (ii), by striking the period at the
2 end and inserting “; and”; and

3 (3) by inserting at the end the following new
4 clause:

5 “(iii) in the case of depository institu-
6 tions described in subsection (e)(2)(A) the
7 deposits of which are insured by the pri-
8 vate insurer which are members of a Fed-
9 eral home loan bank, to the Federal Hous-
10 ing Finance Agency, not later than 7 days
11 after the audit is completed.”.

12 **SEC. 3. GAO REPORT.**

13 Not later than 18 months after the date of enactment
14 of this Act, the Comptroller General of the United States
15 shall conduct a study and submit a report to Congress—

16 (1) on the adequacy of insurance reserves held
17 by a private deposit insurer that insures deposits in
18 an entity described in section 43(e)(2)(A) of the
19 Federal Deposit Insurance Act (12 U.S.C.
20 1831t(e)(2)(A)); and

21 (2) for an entity described in paragraph (1) the
22 deposits of which are insured by a private deposit in-
23 surer, information on the level of compliance with

- 1 Federal regulations relating to the disclosure of a
- 2 lack of Federal deposit insurance.

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