

**AMENDMENT TO H.R. 3505**  
**OFFERED BY MR. OXLEY OF OHIO**

Page 12, after line 4, insert the following new section (and conform the table of contents accordingly):

1 **SECTION 112. ENHANCING THE AUTHORITY FOR NATIONAL**  
2 **BANKS TO MAKE COMMUNITY DEVELOPMENT**  
3 **INVESTMENTS.**

4 The last sentence in the paragraph designated as the  
5 “Eleventh.” of section 5136 of the Revised Statutes of the  
6 United States (12 U.S.C. 24) is amended by striking “10  
7 percent” each place such term appears and inserting “15  
8 percent”.

Page 20, line 19, strike “10 percent” and insert “15 percent”.

Page 20, line 21, strike “10 percent” and insert “15 percent”.

Page 32, beginning on line 6, strike “(c)(3)(B)(ii)” and insert “(c)(3)(B)(i)”.

Page 32, after line 22, insert the following new section (and conform the table of contents accordingly):



1 **SEC. 218. BUSINESS ORGANIZATION FLEXIBILITY FOR FED-**  
2 **ERAL SAVINGS ASSOCIATIONS.**

3 (a) IN GENERAL.—Section 5 of the Home Owners'  
4 Loan Act (12 U.S.C. 1464) is amended by adding at the  
5 end the following new subsection:

6 “(x) ALTERNATIVE BUSINESS ORGANIZATION.—

7 “(1) IN GENERAL.—The Director may prescribe  
8 regulations that—

9 “(A) permit a Federal savings association  
10 to be organized other than as a corporation;  
11 and

12 “(B) provide requirements for the organi-  
13 zational characteristics of a Federal savings as-  
14 sociation organized and operating other than as  
15 a corporation, consistent with the safety and  
16 soundness of the Federal savings association.

17 “(2) EQUAL TREATMENT.—Except as otherwise  
18 provided in regulations prescribed under subsection  
19 (1), a Federal savings association that is operating  
20 other than as a corporation shall have the same  
21 rights and privileges and shall be subject to the  
22 same duties, restrictions, penalties, liabilities, condi-  
23 tions, and limitations as a Federal savings associa-  
24 tion that is organized as a corporation.”.

25 (b) TECHNICAL AND CONFORMING AMENDMENTS.—



1           (1) Section 5(a)(1) of the Home Owners' Loan  
2 Act (12 U.S.C. 1464(a)(1)) is amended by striking  
3 "organization, incorporation," and inserting "organi-  
4 zation (as a corporation or other form of business  
5 organization provided under regulations prescribed  
6 by the Director under subsection (x)),".

7           (2) The last sentence of section 5(i)(1) of the  
8 Home Owners' Loan Act (12 U.S.C. 1464(i)(1)) is  
9 amended by striking "incorporated" and inserting  
10 "organized".

11           (3) Section 5(o)(1) of the Home Owners' Loan  
12 Act (12 U.S.C. 1464(a)(1)) is amended by striking  
13 "organization, incorporation," and inserting "organi-  
14 zation (as a corporation or other form of business  
15 organization provided under regulations prescribed  
16 by the Director under subsection (x)),".

Page 47, strike line 13, and all that follow through  
page 51, line 10, and insert the following new section:

17 **SEC. 315. AMENDMENTS RELATING TO NONFEDERALLY IN-**  
18 **SURED CREDIT UNIONS.**

19           (a) IN GENERAL.—Subsection (a) of section 43 of the  
20 Federal Deposit Insurance Act (12 U.S.C. 1831t(a)) is  
21 amended by adding at the end the following new para-  
22 graph:



1           “(3) ENFORCEMENT BY APPROPRIATE STATE  
2 SUPERVISOR.—Any appropriate State supervisor of a  
3 private deposit insurer, and any appropriate State  
4 supervisor of a depository institution which receives  
5 deposits that are insured by a private deposit in-  
6 surer, may examine and enforce compliance with this  
7 subsection under the applicable regulatory authority  
8 of such supervisor.”.

9           (b) AMENDMENT RELATING TO DISCLOSURES RE-  
10 QUIRED, PERIODIC STATEMENTS AND ACCOUNT  
11 RECORDS.—Section 43(b)(1) of the Federal Deposit In-  
12 surance Act (12 U.S.C. 1831t(b)(1)) is amended by strik-  
13 ing “or similar instrument evidencing a deposit” and in-  
14 serting “or share certificate”.

15           (c) AMENDMENTS RELATING TO DISCLOSURES RE-  
16 QUIRED, ADVERTISING, PREMISES.— Section 43(b)(2) of  
17 the Federal Deposit Insurance Act (12 U.S.C.  
18 1831t(b)(2)) is amended to read as follows:

19           “(2) ADVERTISING; PREMISES.—

20                   “(A) Include clearly and conspicuously in  
21 all advertising, except as provided in subpara-  
22 graph (B); and at each station or window where  
23 deposits are normally received, its principal  
24 place of business and all its branches where it  
25 accepts deposits or opens accounts (excluding



1 automated teller machines or point of sale ter-  
2 minals), and on its main Internet page, a notice  
3 that the institution is not federally insured.

4 “(B) EXCEPTIONS.—The following need  
5 not include a notice that the institution is not  
6 federally insured:

7 “(i) Statements or reports of financial  
8 condition of the depository institution that  
9 are required to be published or posted by  
10 State or Federal law or regulation.

11 “(ii) Any sign, document, or other  
12 item that contains the name of the deposi-  
13 tory institution, its logo, or its contact in-  
14 formation, but only if the sign, document,  
15 or item does not include any information  
16 about the institution’s products or services  
17 or information otherwise promoting the in-  
18 stitution.

19 “(iii) Small utilitarian items that do  
20 not mention deposit products or insurance  
21 if inclusion of the notice would be imprac-  
22 tical.”.

23 (d) AMENDMENTS RELATING TO ACKNOWLEDGMENT  
24 OF DISCLOSURE.—Section 43(b)(3) of the Federal De-



1 posit Insurance Act (12 U.S.C. 1831t(b)(3)) is amended  
2 to read as follows:

3 “(3) ACKNOWLEDGMENT OF DISCLOSURE.—

4 “(A) NEW DEPOSITORS OBTAINED OTHER  
5 THAN THROUGH A CONVERSION OR MERGER.—

6 With respect to any depositor who was not a  
7 depositor at the depository institution before  
8 the effective date of the Financial Services Re-  
9 lief Act of 2005, and who is not a depositor as  
10 described in subparagraph (B), receive any de-  
11 posit for the account of such depositor only if  
12 the depositor has signed a written acknowlege-  
13 ment that—

14 “(i) the institution is not federally in-  
15 sured; and

16 “(ii) if the institution fails, the Fed-  
17 eral Government does not guarantee that  
18 the depositor will get back the depositor’s  
19 money.

20 “(B) NEW DEPOSITORS OBTAINED  
21 THROUGH A CONVERSION OR MERGER.—With  
22 respect to a depositor at a federally insured de-  
23 pository institution that converts to, or merges  
24 into, a depository institution lacking federal in-  
25 surance after the effective date of the Financial



1 Services Regulatory Relief Act of 2005, receive  
2 any deposit for the account of such depositor  
3 only if—

4 “(i) the depositor has signed a written  
5 acknowledgement described in subpara-  
6 graph (A); or

7 “(ii) the institution makes an attempt,  
8 as described in subparagraph (D) and sent  
9 by mail no later than 45 days after the ef-  
10 fective date of the conversion or merger, to  
11 obtain the acknowledgment.

12 “(C) CURRENT DEPOSITORS.—Receive any  
13 deposit after the effective date of the Financial  
14 Services Regulatory Relief Act of 2005 for the  
15 account of any depositor who was a depositor  
16 on that date only if—

17 “(i) the depositor has signed a written  
18 acknowledgement described in subpara-  
19 graph (A); or

20 “(ii) the institution makes an attempt,  
21 as described in subparagraph (D) and sent  
22 by mail no later than 45 days after the ef-  
23 fective date of the Financial Services Reg-  
24 ulatory Relief Act of 2005, to obtain the  
25 acknowledgment.



1                   “(D) ALTERNATIVE PROVISION OF NOTICE  
2                   TO CURRENT DEPOSITORS AND NEW DEPOSITORS  
3                   OBTAINED THROUGH A CONVERSION OR  
4                   MERGER.—

5                   “(i) IN GENERAL.—Transmit to each  
6                   depositor who has not signed a written ac-  
7                   knowledgement described in subparagraph  
8                   (A)—

9                   “(I) a conspicuous card con-  
10                  taining the information described in  
11                  clauses (i) and (ii) of subparagraph  
12                  (A), and a line for the signature of  
13                  the depositor; and

14                  “(II) accompanying materials re-  
15                  questing the depositor to sign the  
16                  card, and return the signed card to  
17                  the institution.”.

18                  (e) REPEAL OF PROVISION PROHIBITING NON-  
19                  DEPOSITORY INSTITUTIONS FROM ACCEPTING DEPOS-  
20                  ITS.—Section 43 of the Federal Deposit Insurance Act (12  
21                  U.S.C. 1831t) is amended—

22                  (1) by striking subsection (e); and

23                  (2) by redesignating subsections (f) and (g) as  
24                  subsections (e) and (f), respectively.



1 (f) REPEAL OF PROVISION CONCERNING NON-  
2 DEPOSITORY INSTITUTIONS MASQUERADING AS DEPOSI-  
3 TORY INSTITUTIONS AND CLARIFICATION OF DEPOSITORY  
4 INSTITUTIONS COVERED BY THE STATUTE.—Subsection  
5 (e)(2) (as so redesignated by subsection (e) of this section)  
6 of section 43 of the Federal Deposit Insurance Act (12  
7 U.S.C. 1831t) is amended to read as follows:

8 “(2) DEPOSITORY INSTITUTION.—The term ‘de-  
9 pository institution’—

10 “(A) includes any entity described in sec-  
11 tion 19(b)(1)(A)(iv) of the Federal Reserve Act;  
12 and

13 “(B) does not include any national bank,  
14 State member bank, or Federal branch.”.

15 (g) REPEAL OF FTC AUTHORITY TO ENFORCE INDE-  
16 PENDENT AUDIT REQUIREMENT; CONCURRENT STATE  
17 ENFORCEMENT.—Subsection (f) (as so redesignated by  
18 subsection (e) of this section) of section 43 of the Federal  
19 Deposit Insurance Act (12 U.S.C. 1831t) is amended to  
20 read as follows:

21 “(f) ENFORCEMENT.—

22 “(1) LIMITED FTC ENFORCEMENT AUTHOR-  
23 ITY.—Compliance with the requirements of sub-  
24 sections (b) and (c), and any regulation prescribed  
25 or order issued under any such subsection, shall be



1 enforced under the Federal Trade Commission Act  
2 by the Federal Trade Commission.

3 “(2) BROAD STATE ENFORCEMENT AUTHOR-  
4 ITY.—

5 “(A) IN GENERAL.—Subject to subpara-  
6 graph (C), an appropriate State supervisor of a  
7 depository institution lacking Federal deposit  
8 insurance may examine and enforce compliance  
9 with the requirements of this section, and any  
10 regulation prescribed under this section.

11 “(B) STATE POWERS.—For purposes of  
12 bringing any action to enforce compliance with  
13 this section, no provision of this section shall be  
14 construed as preventing an appropriate State  
15 supervisor of a depository institution lacking  
16 Federal deposit insurance from exercising any  
17 powers conferred on such official by the laws of  
18 such State.

19 “(C) LIMITATION ON STATE ACTION  
20 WHILE FEDERAL ACTION PENDING.—If the  
21 Federal Trade Commission has instituted an  
22 enforcement action for a violation of this sec-  
23 tion, no appropriate State supervisor may, dur-  
24 ing the pendency of such action, bring an action  
25 under this section against any defendant named



1           in the complaint of the Commission for any vio-  
2           lation of this section that is alleged in that com-  
3           plaint.”.

Page 71, after line 4, insert the following new para-  
graph (and redesignate subsequent paragraphs accord-  
ingly):

4           (7) Section 4(b) of the Bank Service Company  
5           Act (12 U.S.C. 1864(b)) is amended by inserting  
6           “as permissible under subsection (c), (d), or (e) or”  
7           after “Except”.

Page 72, strike line 12 and all that follows through  
line 14 and insert the following new subparagraph:

8           (B) in subsection (b)—  
9           (i) by striking “insured bank” and in-  
10          serting “insured depository institution”;  
11          (ii) by inserting “authorized only”  
12          after “performs any service”; and  
13          (iii) by inserting “authorized only”  
14          after “perform any activity”; and

Page 82, after line 20, insert the following new sec-  
tion (and conform the table of contents accordingly):



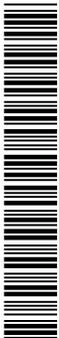
1 **SEC. 506. CREDIT CARD BANK INVESTMENTS FOR THE PUB-**  
2 **LIC WELFARE.**

3 Section 2(e)(2)(F) of the Bank Holding Company Act  
4 of 1956 (12 U.S.C. 1841(e)(2)(F)) is amended—

5 (1) in clause (i), by striking “engages only in  
6 credit card operations” and inserting “engages only  
7 in—

8 “(I) credit card operations; and

9 “(II) making investments de-  
10 signed primarily to promote the public  
11 welfare, including the welfare of low-  
12 and moderate-income communities or  
13 families (such as by providing hous-  
14 ing, services, or jobs), in the manner  
15 and to the extent permitted for na-  
16 tional banks under the paragraph des-  
17 ignated the ‘Eleventh’ of section 5136  
18 of the Revised Statutes of the United  
19 States and regulations prescribed  
20 under such paragraph, except that the  
21 last sentence of such paragraph shall  
22 be applied for purposes of this sub-  
23 clause by substituting ‘5 percent’ for  
24 ‘15 percent’ each place such term ap-  
25 pears; ”; and



1           (2) in clause (v), by inserting “, other than  
2           making or purchasing loans for the purposes de-  
3           scribed in and to the extent permitted in clause  
4           (i)(II))” before the period at the end.

Page 102, line 16, insert “(a) EXTENSION OF AUTO-  
MATIC PROHIBITION” before “Section 19 of the”.

Page 102, beginning on line 21, strike “bank hold-  
ing company, any subsidiary (other than a bank) of a  
bank holding company,” and insert “company (other  
than a foreign bank) that is a bank holding company”.

Page 103, line 1, strike “subsidiary,”.

Page 103, after line 16, insert the following new  
subsection:

5           (b) ENHANCED DISCRETION TO REMOVE CONVICTED  
6 INDIVIDUALS.—Section 8(e)(2)(A) of the Federal Deposit  
7 Insurance Act (12 U.S.C. 1818(e)(2)(A)) is amended—  
8           (1) by striking “or” at the end of clause (ii);  
9           (2) by striking the comma at the end of clause  
10          (iii) and inserting “; or”; and  
11          (3) by adding at the end the following new  
12          clause:  
13                           “(iv) an institution-affiliated party of  
14                           a subsidiary (other than a bank) of a bank  
15                           holding company has been convicted of any



1 criminal offense involving dishonesty or a  
2 breach of trust, or has agreed to enter into  
3 a pretrial diversion or similar program in  
4 connection with a prosecution for such an  
5 offense.”.

Page 121, line 22, strike “any person to” and insert  
“any information to”.

Page 122, after line 24, insert the following new section (and conform the table of contents accordingly):

6 **SEC. 622. DEPUTY DIRECTOR; SUCCESSION AUTHORITY**  
7 **FOR DIRECTOR OF THE OFFICE OF THRIFT**  
8 **SUPERVISION.**

9 (a) ESTABLISHMENT OF POSITION OF DEPUTY DI-  
10 RECTOR.—Section 3(c) of the Home Owners’ Loan Act  
11 (12 U.S.C. 1462a(c)) is amended to read as follows:

12 “(5) DEPUTY DIRECTOR.—

13 “(A) IN GENERAL.—The Secretary of the  
14 Treasury shall appoint a Deputy Director and  
15 may appoint up to 3 additional Deputy Direc-  
16 tors.

17 “(B) FIRST DEPUTY DIRECTOR.—If the  
18 Secretary of the Treasury appoints more than  
19 1 Deputy Director of the Office, the Secretary  
20 shall designate one such appointee as the First  
21 Deputy Director.



1           “(C) DUTIES.—Each Deputy Director ap-  
2           pointed under this paragraph shall take an oath  
3           of office and perform such duties as the Direc-  
4           tor shall direct.

5           “(D) COMPENSATION AND BENEFITS.—  
6           The Director shall fix the compensation and  
7           benefits for each Deputy Director in accordance  
8           with this Act.”.

9           (b) SERVICE OF DEPUTY DIRECTOR AS ACTING DI-  
10          RECTOR.—Section 3(e)(3) of the Home Owners’ Loan Act  
11          (12 U.S.C. 1462a(c)(3)) is amended—

12           (1) by striking “VACANCY.—A vacancy in the  
13           position of Director” and inserting “VACANCY.—

14           “(A) IN GENERAL.—A vacancy in the posi-  
15           tion of Director”; and

16           (2) by adding at the end the following new sub-  
17          paragraphs:

18           “(B) ACTING DIRECTOR.—

19           “(i) IN GENERAL.—In the event of a  
20           vacancy in the position of Director or dur-  
21           ing the absence or disability of the Direc-  
22           tor, the Deputy Director shall serve as  
23           Acting Director.

24           “(ii) SUCCESSION IN CASE OF 2 OR  
25          MORE DEPUTY DIRECTORS.—If there are 2



1 or more Deputy Directors serving at the  
2 time a vacancy in the position of Director  
3 occurs or the absence or disability of the  
4 Director commences, the First Deputy Di-  
5 rector shall serve as Acting Director under  
6 clause (i) followed by such other Deputy  
7 Directors under any order of succession  
8 the Director may establish.

9 “(iii) AUTHORITY OF ACTING DIREC-  
10 TOR.—Any Deputy Director, while serving  
11 as Acting Director under this subpara-  
12 graph, shall be vested with all authority,  
13 duties, and privileges of the Director under  
14 this Act and any other provision of Federal  
15 law.”.

Page 134, line 4, strike “3-month” and insert “6-month”.

Page 137, line 11, insert “, as appropriate,” after “of the Treasury”.

Page 137, line 18, strike “6-month” and insert “1-year”.

Page 145, after line 7, insert the following new paragraph:



1 (29) In section 202(h)(3), strike “207(c)(1)”  
2 and insert “207(k)(1)”.

Page 146, after line 5 insert the following new title:

3 **TITLE IX—FAIR DEBT COLLEC-**  
4 **TION PRACTICES ACT AMEND-**  
5 **MENTS**

6 **SEC. 901. EXCEPTION FOR CERTAIN BAD CHECK ENFORCE-**  
7 **MENT PROGRAMS.**

8 (a) IN GENERAL.—The Fair Debt Collection Prac-  
9 tices Act (15 U.S.C. 1692 et seq.) is amended—

10 (1) by redesignating section 818 as section 819;  
11 and

12 (2) by inserting after section 817 the following  
13 new section:

14 **“§ 818. Exception for certain bad check enforcement**  
15 **programs operated by private entities**

16 “(a) IN GENERAL.—If—

17 “(1) a State or district attorney establishes,  
18 within the jurisdiction of such State or district attor-  
19 ney and with respect to alleged bad check violations  
20 that do not involve a check described in subsection  
21 (c), a pretrial diversion program for alleged bad  
22 check offenders who agree to participate voluntarily  
23 in such program to avoid criminal prosecution and  
24 are not described in subsection (b);



1           “(2) a private entity, that is subject to an ad-  
2 ministrative support services contract with a State  
3 or district attorney and operates under the direction,  
4 supervision and control of such State or district at-  
5 torney, operates the pretrial diversion program de-  
6 scribed in paragraph (1); and

7           “(3) in the course of performing duties dele-  
8 gated to it by a State or district attorney under the  
9 contract, the private entity referred to in paragraph  
10 (2)—

11           “(A) complies with the penal laws of the  
12 State;

13           “(B) conforms with the terms of the con-  
14 tract and directives of the State or district at-  
15 torney;

16           “(C) does not exercise independent pros-  
17 ecutorial discretion;

18           “(D) contacts any alleged offender referred  
19 to in paragraph (1) for purposes of partici-  
20 pating in a program referred to in such para-  
21 graph only—

22           “(i) as a result of any determination  
23 by the State or district attorney that suffi-  
24 cient evidence of a bad check violation  
25 under State law exists and that contact



1 with the alleged offender for purposes of  
2 participation in the program is appro-  
3 priate; or

4 “(ii) as otherwise permitted in re-  
5 sponse to evidence of a bad check;

6 “(E) includes as part of an initial written  
7 communication with an alleged offender a clear  
8 and conspicuous statement that—

9 “(i) the alleged offender may dispute  
10 the validity of any alleged bad check viola-  
11 tion through a procedure established and  
12 supervised by the State or district attor-  
13 ney, together with an explanation of how  
14 such a dispute may be initiated; and

15 “(ii) where the alleged offender  
16 knows, or has reasonable cause to believe,  
17 that the alleged bad check violation is the  
18 result of theft or forgery of the check,  
19 identity theft, or other fraud that is not  
20 the result of the alleged offender’s conduct,  
21 the alleged offender may file a crime report  
22 with the appropriate law enforcement  
23 agency and have further contacts or res-  
24 titution efforts suspended until the ques-  
25 tion of the theft or forgery of the check,



1 identity theft, or other fraud has been re-  
2 solved, together with clear instructions on  
3 how to file such crime report; and

4 “(F) charges only fees in connection with  
5 services under the contract that—

6 “(i) have been authorized by the con-  
7 tract with the State or district attorney;  
8 and

9 “(ii) conform with the schedule of rea-  
10 sonable charges for such services which  
11 shall be established by the National Dis-  
12 trict Attorney’s Association, after consulta-  
13 tion with the Commission and representa-  
14 tives of interested business and consumer  
15 organizations,

16 the private entity shall be treated as an officer of the State  
17 and excluded from the definition of debt collector, pursu-  
18 ant to the exception provided in section 803(6)(C), with  
19 respect to the entity’s operation of the program described  
20 in paragraph (1) under the contract described in para-  
21 graph (2).

22 “(b) CERTAIN OFFENDERS EXCLUDED.—An alleged  
23 bad check offender is described in this subsection if a pri-  
24 vate entity described in subsection (a)(2) can determine  
25 from available records that such offender—



1           “(1) was convicted of a bad check offense in the  
2           3 years prior to issuing the bad check under consid-  
3           eration; or

4           “(2) participated in a pretrial diversion pro-  
5           gram in the 18 months prior to issuing the bad  
6           check under consideration.

7           “(c) CERTAIN CHECKS EXCLUDED.—A check is de-  
8           scribed in this subsection if the check involves, or is subse-  
9           quently found to involve—

10           “(1) a postdated check presented in connection  
11           with a payday loan, or other similar transaction,  
12           where the holder of the check knew that the issuer  
13           had insufficient funds at the time the check was  
14           made, drawn or delivered;

15           “(2) a stop payment order where the issuer  
16           acted in good faith and with reasonable cause in  
17           stopping payment on the check;

18           “(3) a check dishonored because of an adjust-  
19           ment to the issuer’s account by the financial institu-  
20           tion holding such account without providing notice  
21           to the person at the time the check was made,  
22           drawn or delivered;

23           “(4) a check for partial payment of a debt  
24           where the holder had previously accepted partial  
25           payment for such debt;



1           “(5) a check issued by a person who was not  
2           competent, or was not of legal age, to enter into a  
3           legal contractual obligation at the time the check  
4           was made, drawn or delivered; or

5           “(6) a check issued to pay an obligation arising  
6           from a transaction that was illegal in the jurisdiction  
7           of the State or district attorney at the time the  
8           check was made, drawn or delivered.

9           “(d) DEFINITIONS.—For purposes of this section, the  
10          following definitions shall apply:

11           “(1) STATE OR DISTRICT ATTORNEY.—The  
12          term ‘State or district attorney’ means the chief  
13          elected or appointed prosecuting attorney in a dis-  
14          trict, county (as defined in section 2 of title 1,  
15          United States Code), municipality, or comparable ju-  
16          risdiction, including State attorneys general who act  
17          as chief elected or appointed prosecuting attorneys  
18          in a district, county (as so defined), municipality or  
19          comparable jurisdiction, who may be referred to by  
20          a variety of titles such as district attorneys, pros-  
21          ecuting attorneys, commonwealth’s attorneys, solici-  
22          tors, county attorneys, and state’s attorneys, and  
23          who are responsible for the prosecution of State  
24          crimes and violations of jurisdiction-specific local or-  
25          dinances.



1           “(2) CHECK.—The term ‘check’ has the same  
2 meaning as in section 3(6) of the Check Clearing for  
3 the 21st Century Act.

4           “(3) BAD CHECK.—The term ‘bad check’ means  
5 any check that—

6                   “(A) the issuer knew, or should have  
7 known, would not be paid upon presentment be-  
8 cause the issuer—

9                           “(i) had no account with the drawee  
10 financial institution at the time the check  
11 was made, drawn, or delivered;

12                           “(ii) had closed the account upon with  
13 the check was made or drawn prior to the  
14 time the check was made, drawn, or deliv-  
15 ered; or

16                           “(iii) used a false or altered check, or  
17 false or altered check account number; or

18                   “(B) was refused payment by the financial  
19 institution or other drawee for lack of sufficient  
20 funds and the issuer failed to pay the full  
21 amount of the check, together with reasonable  
22 costs as permitted by State law—

23                           “(i) after receiving written notice  
24 from the holder of the check that payment  
25 was refused by the drawee financial insti-



1                   tution to the extent that the timing and  
2                   mode of delivery of such written notice is  
3                   in compliance with the applicable State law  
4                   for determining criminal liability for bad  
5                   check offenses; or

6                   “(ii) in a case in which there are no  
7                   applicable State law requirements as de-  
8                   scribed in clause (i), within 30 days of re-  
9                   ceiving written notice, mailed to the issuer  
10                  by certified mail to the address printed on  
11                  the check, or given at the time the check  
12                  was made, drawn or delivered or, other-  
13                  wise, at the address where the alleged of-  
14                  fender resides or is found, from the holder  
15                  of the check that payment of 1 or more  
16                  checks was refused by the drawee financial  
17                  institution.”.

18                  (b) CLERICAL AMENDMENT.—The table of sections  
19 for the Fair Debt Collection Practices Act is amended—

20                   (1) by redesignating the item relating to section  
21                   818 as section 819; and

22                   (2) by inserting after the item relating to sec-  
23                   tion 817 the following new item:

“818. Exception for certain bad check enforcement programs operated by pri-  
vate entities.”.



1 **SEC. 902. OTHER AMENDMENTS.**

2 (a) LEGAL PLEADINGS.—Section 809 of the Fair  
3 Debt Collection Practices Act (15 U.S.C. 1692g) is  
4 amended by adding at the end the following new sub-  
5 section:

6 “(d) LEGAL PLEADINGS.—A communication in the  
7 form of a formal pleading in a civil action shall not be  
8 treated as an initial communication for purposes of sub-  
9 section (a).”.

10 (b) NOTICE PROVISIONS.—Section 809 of the Fair  
11 Debt Collection Practices Act (15 U.S.C. 1692g) is  
12 amended by adding after subsection (d) (as added by sub-  
13 section (a) of this section) the following new subsection:

14 “(e) NOTICE PROVISIONS.—The sending or delivery  
15 of any form or notice which does not request the payment  
16 of a debt and is expressly required by any other Federal  
17 or State law or regulation, including the Internal Revenue  
18 Code of 1986, title V of Gramm-Leach-Bliley Act, and any  
19 data security breach notice and privacy law shall not be  
20 treated as a communication in connection with debt collec-  
21 tion.”.

22 (c) ESTABLISHMENT OF RIGHT TO COLLECT WITHIN  
23 THE FIRST 30 DAYS.—Section 809(b) of the Fair Debt  
24 Collection Practices Act (15 U.S.C. 1692g(b)) is amended  
25 by striking “If the consumer” and inserting “Collection  
26 activities and communications may continue during any



- 1 30-day period referred to in subsection (a). However, if
- 2 the consumer”.

