

115TH CONGRESS
2D SESSION

H. R. 4861

To nullify certain guidance on deposit advance products, to require the Federal banking agencies to establish standards for short-term, small-dollar loans made by insured depository institutions, to exempt insured depository institutions and insured credit unions from the payday lending rule of the Bureau of Consumer Financial Protection, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 19, 2018

Mr. HOLLINGSWORTH introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To nullify certain guidance on deposit advance products, to require the Federal banking agencies to establish standards for short-term, small-dollar loans made by insured depository institutions, to exempt insured depository institutions and insured credit unions from the payday lending rule of the Bureau of Consumer Financial Protection, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Ensuring Quality Un-
3 biased Access to Loans Act of 2018” or the “EQUAL Act
4 of 2018”.

5 **SEC. 2. NULLIFICATION OF, AND REQUIREMENTS FOR,**
6 **GUIDANCE ON DEPOSIT ADVANCE PROD-**
7 **UCTS.**

8 The final guidance of the Federal Deposit Insurance
9 Corporation titled “Guidance on Supervisory Concerns
10 and Expectations Regarding Deposit Advance Products”
11 (78 Fed. Reg. 70552; November 26, 2013) shall have no
12 force or effect.

13 **SEC. 3. SHORT-TERM, SMALL-DOLLAR LOANS.**

14 (a) IN GENERAL.—Not later than 24 months after
15 the date of the enactment of this Act, the Federal banking
16 agencies shall each issue regulations, after providing for
17 public notice and comment, to establish standards for
18 short-term, small-dollar loans or lines of credit made avail-
19 able by insured depository institutions.

20 (b) CONSIDERATIONS.—In issuing regulations to es-
21 tablish standards under subsection (a), the Federal bank-
22 ing agencies shall ensure that the standards encourage
23 products that are consistent with safe and sound banking,
24 provide fair access to financial services, and treat cus-
25 tomers fairly.

1 (c) COORDINATED EFFORTS.—In issuing regulations
2 to establish standards under subsection (a), the Federal
3 banking agencies shall consult and coordinate with each
4 other.

5 (d) EFFECT ON STATE LAW.—Regulations issued
6 under subsection (a) shall supersede any State law that
7 sets standards for short-term, small-dollar loans or lines
8 of credit made available by insured depository institutions.

9 (e) DEFINITIONS.—For purposes of this section, the
10 terms “insured depository institution” and “Federal bank-
11 ing agency” have the meaning given those terms, respec-
12 tively, under section 3 of the Federal Deposit Insurance
13 Act.

14 **SEC. 4. EXEMPTION FROM PAYDAY RULE.**

15 The rule submitted by the Bureau of Consumer Fi-
16 nancial Protection relating to “Payday, Vehicle Title, and
17 Certain High-Cost Installment Loans” (published at 82
18 Fed. Reg. 54472 (November 17, 2017)) shall not apply
19 to—

20 (1) a loan made by an insured depository insti-
21 tution (as defined under section 3 of the Federal
22 Deposit Insurance Act) on or after the date that the
23 appropriate Federal banking agency (as defined
24 under section 3 of such Act) issues the regulations
25 described under section 3(a); or

1 (2) a loan made by an insured credit union or
2 noninsured credit union (as such terms are defined,
3 respectively, under section 101 of the Federal Credit
4 Union Act).

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