To require the Federal banking regulators to jointly conduct a study and develop a strategic plan to address challenges faced by proposed depository institutions seeking de novo depository institution charters; and for other purposes.

IN THE HOUSE OF REPRESENTATIVES
JULY 21, 2021

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

A BILL
To require the Federal banking regulators to jointly conduct a study and develop a strategic plan to address challenges faced by proposed depository institutions seeking de novo depository institution charters; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Promoting New and Diverse Depository Institutions Act”.

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SEC. 2. STUDY AND STRATEGIC PLAN.

(a) In general.—The Federal banking regulators shall jointly, and in consultation with the Secretary of the Treasury, conduct a study about the challenges faced by proposed depository institutions, including proposed minority depository institutions, seeking de novo depository institution charters.

(b) Strategic Plan.—

(1) In general.—Not later than 18 months after the date of the enactment of this section, the Federal banking regulators shall jointly submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a strategic plan based on the study conducted pursuant to subsection (a) and designed to help proposed depository institutions (including proposed minority depository institutions) successfully apply for de novo depository institution charters in a manner that promotes increased availability of banking and financial services, safety and soundness, consumer protection, community reinvestment, financial stability, and a level playing field.

(2) Contents of strategic plan.—The strategic plan described in paragraph (1) shall—

(A) promote the chartering of—
(i) proposed minority depository institutions; and

(ii) proposed depository institutions that could be certified as community development financial institutions; and

(B) describe actions the Federal banking regulators may take that would increase the number of depository institutions located in geographic areas where consumers lack access to a branch of a depository institution.

(c) PUBLIC INVOLVEMENT.—When conducting the study and developing the strategic plan required by this Act, the Federal banking regulators shall invite comments and other feedback from the public to inform the study and strategic plan.

(d) DEFINITIONS.—In this Act:

(1) DEPOSITORY INSTITUTION.—The term “depository institution” has the meaning given in section 3 of the Federal Deposit Insurance Act.

(2) COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term “community development financial institution” has the meaning given in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994.
(3) Federal banking regulators.—The term “Federal banking regulators” means the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Director of the Bureau of Consumer Financial Protection.

(4) Minority depository institution.—The term “minority depository institution” has the meaning given in section 308(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.