

## Union Calendar No.

114TH CONGRESS  
1ST SESSION

# H. R. 299

[Report No. 114-]

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.

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## 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

APRIL --, 2015

Committed to the Committee of the Whole House on the State of the Union,  
and ordered to be printed

# **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”.

6       **SEC. 2. PRIVATELY INSURED CREDIT UNIONS AUTHORIZED**  
7                       **TO BECOME MEMBERS OF A FEDERAL HOME**  
8                       **LOAN BANK.**

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

12                   “(5) CERTAIN PRIVATELY INSURED CREDIT  
13      UNIONS.—

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

21                   “(B) CERTIFICATION BY APPROPRIATE SU-  
22      PERVISOR.—

23                   “(i) IN GENERAL.—For purposes of  
24                   this paragraph and subject to clause (ii), a  
25                   credit union which lacks Federal deposit

1 insurance and which has applied for mem-  
2 bership in a Federal home loan bank may  
3 be treated as meeting all the eligibility re-  
4 quirements for Federal deposit insurance  
5 only if the appropriate supervisor of the  
6 State in which the credit union is char-  
7 tered has determined that the credit union  
8 meets all the eligibility requirements for  
9 Federal deposit insurance as of the date of  
10 the application for membership.

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

21 “(C) SECURITY INTERESTS OF FEDERAL  
22 HOME LOAN BANK NOT AVOIDABLE.—Notwith-  
23 standing any provision of State law authorizing  
24 a conservator or liquidating agent of a credit

1 union to repudiate contracts, no such provision  
2 shall apply with respect to—

3 “(i) any extension of credit from any  
4 Federal home loan bank to any credit  
5 union which is a member of any such bank  
6 pursuant to this paragraph; or

7 “(ii) any security interest in the as-  
8 sets of such credit union securing any such  
9 extension of credit.

10 “(D) PROTECTION FOR CERTAIN FEDERAL  
11 HOME LOAN BANK ADVANCES.—Notwith-  
12 standing any State law to the contrary, if a  
13 Bank makes an advance under section 10 to a  
14 State-chartered credit union that is not feder-  
15 ally insured—

16 “(i) the Bank’s interest in any collat-  
17 eral securing such advance has the same  
18 priority and is afforded the same standing  
19 and rights that the security interest would  
20 have had if the advance had been made to  
21 a federally insured credit union; and

22 “(ii) the Bank has the same right to  
23 access such collateral that the Bank would  
24 have had if the advance had been made to  
25 a federally insured credit union.”.

1 (b) COPIES OF AUDITS OF PRIVATE INSURERS OF  
2 CERTAIN DEPOSITORY INSTITUTIONS REQUIRED TO BE  
3 PROVIDED TO SUPERVISORY AGENCIES.—Section  
4 43(a)(2)(A) of the Federal Deposit Insurance Act (12  
5 U.S.C. 1831t(a)(2)(A)) is amended—

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

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

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

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

18 **SEC. 3. GAO REPORT.**

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

22 (1) on the adequacy of insurance reserves held  
23 by a private deposit insurer that insures deposits in  
24 an entity described in section 43(e)(2)(A) of the

1 Federal Deposit Insurance Act (12 U.S.C.  
2 1831t(e)(2)(A)); and  
3 (2) for an entity described in paragraph (1) the  
4 deposits of which are insured by a private deposit in-  
5 surer, information on the level of compliance with  
6 Federal regulations relating to the disclosure of a  
7 lack of Federal deposit insurance.