

**AMENDMENT TO THE AMENDMENT IN THE  
NATURE OF A SUBSTITUTE TO H.R. 478  
OFFERED BY MS. Waters**

Strike all after the enacting clause and insert the  
following:

1 **SEC. 1. SHORT TITLE.**

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

4 **SEC. 2. STUDY AND STRATEGIC PLAN.**

5       (a) IN GENERAL.—The Federal banking regulators  
6 shall jointly—

7       (1) conduct a study about the challenges faced  
8       by proposed depository institutions, including pro-  
9       posed minority depository institutions, seeking de  
10       novo depository institution charters; and

11       (2) submit to the Committee on Financial Serv-  
12       ices of the House of Representatives and the Com-  
13       mittee on Banking, Housing, and Urban Affairs of  
14       the Senate and publish publicly, not later than 18  
15       months after the date of the enactment of this sec-  
16       tion—

17       (A) an analysis based on the study con-  
18       ducted pursuant to paragraph (1);

1 (B) any findings from the study conducted  
2 pursuant to paragraph (1); and

3 (C) any legislative recommendations that  
4 the Federal banking regulators developed based  
5 on the study conducted pursuant to paragraph  
6 (1).

7 (b) STRATEGIC PLAN.—

8 (1) IN GENERAL.—Not later than 18 months  
9 after the date of the enactment of this section, the  
10 Federal banking regulators shall jointly submit to  
11 the Committee on Financial Services of the House of  
12 Representatives and the Committee on Banking,  
13 Housing, and Urban Affairs of the Senate and pub-  
14 lish publically a strategic plan based on the study  
15 conducted pursuant to subsection (a) and designed  
16 to help proposed depository institutions (including  
17 proposed minority depository institutions) success-  
18 fully apply for de novo depository institution char-  
19 ters in a manner that promotes increased availability  
20 of banking and financial services, safety and sound-  
21 ness, consumer protection, community reinvestment,  
22 financial stability, and a level playing field.

23 (2) CONTENTS OF STRATEGIC PLAN.—The stra-  
24 tegic plan described in paragraph (1) shall—

1 (A) promote the chartering of de novo de-  
2 pository institutions, including—

3 (i) proposed minority depository insti-  
4 tutions; and

5 (ii) proposed depository institutions  
6 that could be certified as community devel-  
7 opment financial institutions; and

8 (B) describe actions the Federal banking  
9 regulators may take that would increase the  
10 number of depository institutions located in ge-  
11 ographic areas where consumers lack access to  
12 a branch of a depository institution.

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

18 (d) DEFINITIONS.—In this Act:

19 (1) DEPOSITORY INSTITUTION.—The term “de-  
20 pository institution” has the meaning given in sec-  
21 tion 3 of the Federal Deposit Insurance Act, and in-  
22 cludes a “Federal credit union” and a “State credit  
23 union” as such terms are defined, respectively,  
24 under section 101 of the Federal Credit Union Act.

1           (2) COMMUNITY DEVELOPMENT FINANCIAL IN-  
2           STITUTION.—The term “community development fi-  
3           nancial institution” has the meaning given in section  
4           103 of the Riegle Community Development and Reg-  
5           ulatory Improvement Act of 1994.

6           (3) FEDERAL BANKING REGULATORS.—The  
7           term “Federal banking regulators” means the Board  
8           of Governors of the Federal Reserve System, the  
9           Comptroller of the Currency, the Federal Deposit  
10          Insurance Corporation, the National Credit Union  
11          Administration, and the Director of the Bureau of  
12          Consumer Financial Protection.

13          (4) MINORITY DEPOSITORY INSTITUTION.—The  
14          term “minority depository institution” has the  
15          meaning given in section 308(b) of the Financial In-  
16          stitutions Reform, Recovery, and Enforcement Act  
17          of 1989.

18          (e) REDUCTION.—

19          (1) IN GENERAL.—Subparagraph (A) of section  
20          17(a)(3) of the Federal Reserve Act (12 U.S.C.  
21          289(a)(3)(A)) is amended by reducing the dollar fig-  
22          ure described in such subparagraph by \$5,000,000.

23          (2) EFFECTIVE DATE.—The amendment made  
24          by paragraph (1) shall take effect on September 30,  
25          2025.

1 **SEC. 3. DETERMINATION OF BUDGETARY EFFECTS.**

2       The budgetary effects of this Act, for the purpose of  
3 complying with the Statutory Pay-As-You-Go Act of 2010,  
4 shall be determined by reference to the latest statement  
5 titled “Budgetary Effects of PAYGO Legislation” for this  
6 Act, submitted for printing in the Congressional Record  
7 by the Chairman of the House Budget Committee, pro-  
8 vided that such statement has been submitted prior to the  
9 vote on passage.

