

[DISCUSSION DRAFT]

119TH CONGRESS
1ST SESSION

H. R. _____

To require the Federal banking agencies to carry out a study on shelf
charters and modified bidder qualification processes, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M____. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To require the Federal banking agencies to carry out a
study on shelf charters and modified bidder qualification
processes, 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 “Enhancing Bank Reso-
5 lution Participation Act”.

1 **SEC. 2. STUDY ON SHELF CHARTERS AND MODIFIED BID-**
2 **DER QUALIFICATION PROCESSES.**

3 (a) STUDY.—The Board of Governors of the Federal
4 Reserve System, the Comptroller of the Currency, and the
5 Federal Deposit Insurance Corporation shall, jointly,
6 carry out a study of—

7 (1) the use by the Comptroller of the Currency
8 of shelf charters, including all conditional or prelimi-
9 nary shelf charter approvals granted between Janu-
10 ary 1, 2008, and the date of enactment of this Act;

11 (2) the use by the Federal Deposit Insurance
12 Corporation of the modified bidder qualification
13 process;

14 (3) whether shelf charters and modified bidder
15 qualification processes were considered or used in
16 connection with the 2023 bank failures; and

17 (4) with respect to such bank failures, the ex-
18 tent to which greater use of shelf charters and modi-
19 fied bidder qualification processes could have—

20 (A) expanded the pool of participants in
21 the acquisition of such failed banks;

22 (B) resulted in greater competition and di-
23 versity in market outcomes;

24 (C) protected the Deposit Insurance Fund;

25 or

1 (D) strengthened financial stability and re-
2 duced the need to invoke the systemic risk ex-
3 ception.

4 (b) REPORT.—Not later than 270 days after the date
5 of enactment of this Act, the Board of Governors of the
6 Federal Reserve System, the Comptroller of the Currency,
7 and the Federal Deposit Insurance Corporation shall,
8 jointly, issue a report to the Committee on Financial Serv-
9 ices of the House of Representatives and the Committee
10 on Banking, Housing, and Urban Affairs of the Senate
11 containing—

12 (1) all findings and determinations made in car-
13 rying out the study required under subsection (a);
14 and

15 (2) an identification of statutory or regulatory
16 barriers to the use and effectiveness of shelf charters
17 and modified bidder qualification processes in the
18 resolution of failed banks, including recommenda-
19 tions for legislative and regulatory changes.

20 (c) DEFINITIONS.—In this section:

21 (1) MODIFIED BIDDER QUALIFICATION PROC-
22 ESS.—The term “modified bidder qualification proc-
23 ess” has the meaning given such term in the press
24 release of the Federal Deposit Insurance Corpora-
25 tion titled “FDIC Expands Bidder List for Troubled

1 Institutions Plan Allows Those Without a Bank
2 Charter to Participate in the Process” published No-
3 vember 26, 2008.

4 (2) SHELF CHARTER.—The term “shelf char-
5 ter” has the meaning given such term in the report
6 issued by the Comptroller of the Currency titled
7 “Activities Permissible for National Banks and Fed-
8 eral Savings Associations, Cumulative” published
9 October 2017.