

118TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

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.

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IN THE SENATE OF THE UNITED STATES

Mr. KENNEDY (for himself and Ms. SMITH) introduced the following bill;  
which was read twice and referred to the Committee on

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**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.

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 “Promoting New and  
5 Diverse Depository Institutions Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1           (1) DEPOSITORY INSTITUTION.—The term “de-  
2           pository institution”—

3                   (A) has the meaning given the term in sec-  
4           tion 3 of the Federal Deposit Insurance Act (12  
5           U.S.C. 1813); and

6                   (B) includes a Federal credit union and a  
7           State credit union, as those terms are defined  
8           in section 101 of the Federal Credit Union Act  
9           (12 U.S.C. 1752).

10           (2) COMMUNITY DEVELOPMENT FINANCIAL IN-  
11           STITUTION.—The term “community development fi-  
12           nancial institution” has the meaning given in section  
13           103 of the Riegle Community Development and Reg-  
14           ulatory Improvement Act of 1994 (12 U.S.C. 4702).

15           (3) FEDERAL BANKING REGULATORS.—The  
16           term “Federal banking regulators” means the Board  
17           of Governors of the Federal Reserve System, the  
18           Comptroller of the Currency, the Federal Deposit  
19           Insurance Corporation, the National Credit Union  
20           Administration, and the Director of the Bureau of  
21           Consumer Financial Protection.

22           (4) MINORITY DEPOSITORY INSTITUTION.—The  
23           term “minority depository institution” has the  
24           meaning given in section 308(b) of the Financial In-

1 institutions Reform, Recovery, and Enforcement Act  
2 of 1989 (12 U.S.C. 1463 note).

3 **SEC. 3. STUDY AND STRATEGIC PLAN.**

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

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

10 (2) not later than 18 months after the date of  
11 enactment of this section, submit to the Committee  
12 on Banking, Housing, and Urban Affairs of the Sen-  
13 ate and the Committee on Financial Services of the  
14 House of Representatives and publish publically—

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

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

19 (C) any legislative recommendations that  
20 the Federal banking regulators developed based  
21 on the study conducted pursuant to paragraph  
22 (1).

23 (b) STRATEGIC PLAN.—

24 (1) IN GENERAL.—Not later than 18 months  
25 after the date of enactment of this section, the Fed-

1       eral banking regulators shall jointly submit to the  
2       Committee on Banking, Housing, and Urban Affairs  
3       of the Senate and the Committee on Financial Serv-  
4       ices of the House of Representatives and publish  
5       publically a strategic plan based on the study con-  
6       ducted pursuant to subsection (a) and designed to  
7       help proposed depository institutions (including pro-  
8       posed minority depository institutions) successfully  
9       apply for de novo depository institution charters in  
10      a manner that promotes increased availability of  
11      banking and financial services, safety and sound-  
12      ness, consumer protection, community reinvestment,  
13      financial stability, and a level playing field.

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

16           (A) promote the chartering of de novo de-  
17      pository institutions, including—

18           (i) proposed minority depository insti-  
19      tutions; and

20           (ii) proposed depository institutions  
21      that could be certified as community devel-  
22      opment financial institutions; and

23           (B) describe actions the Federal banking  
24      regulators may take that would increase the  
25      number of depository institutions located in ge-

1           ographic areas where consumers lack access to  
2           a branch of a depository institution.

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