

105TH CONGRESS  
1ST SESSION

# H. R. 1306

To amend the Federal Deposit Insurance Act to clarify the applicability of host State laws to any branch in such State of an out-of-State bank.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 1997

Mrs. ROUKEMA (for herself, Mr. LEACH, Mr. LAFALCE, Mr. BAKER, Mr. FLAKE, Mr. BACHUS, Mrs. MALONEY of New York, Mr. CASTLE, Mr. ACKERMAN, Mr. KING, Mr. MALONEY of Connecticut, Mr. METCALF, Mrs. KELLY, Mr. COOK, Mr. SNOWBARGER, Mr. RYUN, Mr. HILL, Mr. SMITH of New Jersey, Mr. BLUNT, Mr. FRELINGHUYSEN, and Mr. NEY) introduced the following bill; which was referred to the Committee on Banking and Financial Services

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## A BILL

To amend the Federal Deposit Insurance Act to clarify the applicability of host State laws to any branch in such State of an out-of-State bank.

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 “Riegle-Neal Clarifica-  
5 tion Act of 1997”.

1 **SEC. 2. INTERSTATE BRANCHING.**

2 Subsection 24(j) of the Federal Deposit Insurance  
3 Act (12 U.S.C. 1831a(j)) is amended to read as follows:

4 “(j) ACTIVITIES OF BRANCHES OF OUT-OF-STATE  
5 BANKS.—

6 “(1) APPLICATION OF HOST STATE LAW.—The  
7 laws of a host state, including laws regarding com-  
8 munity reinvestment, consumer protection, fair lend-  
9 ing, and establishment of intrastate branches, shall  
10 apply to any branch in the host State of an out-of-  
11 State State bank to the same extent as such State  
12 laws apply to a branch in the host State of an out-  
13 of-State national bank.

14 “(2) ACTIVITIES OF BRANCHES.—An insured  
15 State bank that establishes a branch in a host State  
16 may conduct any activity at such branch that is per-  
17 missible under the laws of the home State of such  
18 bank, if such activity is permissible either for a bank  
19 chartered by the host State (subject to the restric-  
20 tions in this section) or for a branch in the host  
21 State of an out-of-State national bank.

22 “(3) DEFINITIONS.—The terms ‘host State’,  
23 ‘home State’, and ‘out-of-State bank’ have the same  
24 meanings as in section 44(f).”.

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