

114TH CONGRESS
1ST SESSION

H. R. 1841

To amend section 13 of the Bank Holding Company Act of 1956, known as the Volcker Rule, to exclude certain debt securities of collateralized loan obligations from the prohibition against acquiring or retaining an ownership interest in a hedge fund or private equity fund.

IN THE HOUSE OF REPRESENTATIVES

APRIL 16, 2015

Mr. BARR introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend section 13 of the Bank Holding Company Act of 1956, known as the Volcker Rule, to exclude certain debt securities of collateralized loan obligations from the prohibition against acquiring or retaining an ownership interest in a hedge fund or private equity fund.

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 “Restoring Proven Fi-
5 nancing for American Employers Act”.

1 **SEC. 2. RULES OF CONSTRUCTION RELATING TO**
2 **COLLATERALIZED LOAN OBLIGATIONS.**

3 Section 13(c)(2) of the Bank Holding Company Act
4 of 1956 (12 U.S.C. 1851(c)(2)) is amended—

5 (1) by striking “A banking entity or nonbank
6 financial company supervised by the Board” and in-
7 serting the following:

8 “(A) GENERAL CONFORMANCE PERIOD.—

9 A banking entity or nonbank financial company
10 supervised by the Board”; and

11 (2) by adding at the end the following:

12 “(B) CONFORMANCE PERIOD FOR CERTAIN
13 COLLATERALIZED LOAN OBLIGATIONS.—

14 “(i) IN GENERAL.—Notwithstanding
15 subparagraph (A), a banking entity or
16 nonbank financial company supervised by
17 the Board shall bring its activities related
18 to or investments in a debt security of a
19 collateralized loan obligation issued before
20 January 31, 2014, into compliance with
21 the requirements of subsection (a)(1)(B)
22 and any applicable rules relating to sub-
23 section (a)(1)(B) not later than July 21,
24 2019.

25 “(ii) COLLATERALIZED LOAN OBLIGA-
26 TION.—For purposes of this subparagraph,

1 the term ‘collateralized loan obligation’
2 means any issuing entity of an asset-
3 backed security, as defined in section
4 3(a)(77) of the Securities Exchange Act of
5 1934 (15 U.S.C. 78c(a)(77)), that is com-
6 prised primarily of commercial loans.”.

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