

GENERAL LEAVE

Mr. NEUGEBAUER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and to add extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. NEUGEBAUER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. STIVERS), the sponsor of this bill.

Mr. STIVERS. I would like to thank the gentleman from Texas for yielding me time.

Mr. Speaker, I rise in support of H.R. 299, the Capital Access for Small Community Financial Institutions Act.

I would like to thank Chairman HENSARLING and the other bill sponsors—Mrs. BEATTY from Ohio, Mr. TIBERI from Ohio, and Mr. CARSON from Indiana.

As you can hear, I lost my voice last night, but I am the voice for 1.2 million people who are currently denied access to the liquidity that the Federal Home Loan Bank system offers inside financial transactions.

This bill would simply make a small statutory change that would allow nonfederally insured credit unions to apply for membership in the Federal Home Loan Bank system. It would not guarantee their memberships. They would go through the normal underwriting process like any other applicant. The irony here is that every other credit union can join the Federal Home Loan Bank system, and every other bank and many nonbank entities, like insurance companies, are allowed to join the Federal Home Loan Bank system. Only privately insured credit unions are denied.

Currently, there are 128 small credit unions in nine States representing 1.2 million people, including firefighters and teachers and church workers and small business people, with total assets of \$13 billion, people who are not insured by the Federal Government but who are insured by a mutual private insurance company and so are denied access to the Federal Home Loan Bank system. This bill would simply change that and fix it.

Some important points are: one, there is no risk to the Federal Home Loan Bank system. Two, no more than \$4 billion of that \$13 billion could be pledged to the Federal Home Loan Bank system at any one time, and that is if all 128 credit unions joined the Federal Home Loan Bank system. Three, there is no concentration risk. There is no disproportionate risk with these institutions.

I think it is really important that we give these 1.2 million people the access to the liquidity that the Federal Home Loan Bank system would offer them.

I would ask my colleagues to support this legislation, which would give community financial institutions the ability to apply for membership in the Fed-

eral Home Loan Bank system and which would provide important liquidity to these 1.2 million people who might want to buy a home or live the American Dream.

Again, I want to thank my cosponsor, who helped so hard to get this bill done, Congresswoman JOYCE BEATTY from Ohio; and I want to thank Chairman NEUGEBAUER, Chairman HENSARLING, and the other cosponsors of the bill.

Mr. CAPUANO. Mr. Speaker, I yield such time as she may consume to the gentleman from Ohio (Mrs. BEATTY), who is the cosponsor of this bill.

Mrs. BEATTY. Thank you, Mr. CAPUANO, for yielding me time.

Thank you, Mr. NEUGEBAUER and Mr. STIVERS.

Mr. Speaker, I rise today in strong support of the Capital Access for Small Community Financial Institutions Act of 2015, H.R. 299.

I join Congressman STEVE STIVERS in support of H.R. 299. My colleagues on both sides of the aisle supported this bill in a bipartisan fashion, a bill on which I am very proud to be the lead Democrat. We have worked together to have H.R. 299 reported out of the House Financial Services Committee with a vote of 56-1. In fact, last year, the same bill passed unanimously on this House floor by 395-0.

Mr. Speaker, as you have heard, H.R. 299 would permit privately insured credit unions to apply for membership in the Federal Home Loan Bank system. A primary benefit of the Federal Home Loan Bank membership is having access to low-cost secured funding, which is a tremendous benefit to consumers. H.R. 299 would not, however, mandate the privately insured credit unions to become members of a Federal Home Loan Bank. Therefore, under this legislation, a Federal Home Loan Bank would maintain the discretion to accept or to reject a privately insured credit union's application for membership based on its risk tolerance and underwriting guidelines.

Why do we need this bill?

H.R. 299 is an extremely important piece of legislation for these privately insured credit unions because it would help give members and businesses greater access to credit in a tight credit market. Currently, there are approximately 6,400 credit unions across the country, including some 128 to 130 privately insured credit unions. Of that number of those privately insured credit unions, Mr. Speaker, 57 of them are actually in Ohio. Both I and Mr. STIVERS, the sponsor of the bill, are from the great State of Ohio. These 57 privately insured credit unions in Ohio serve more than 333,000 members in Ohio, and, roughly, 145,000 of those members are actually in my district.

Indeed, the Capital Access for Small Community Financial Institutions Act of 2015, or H.R. 299, comes to the floor today because of the very important role we believe that credit unions play in consumer lending and homeowner-ship across this country.

For instance, this bill would improve access to home mortgage loans for members of three privately insured credit unions that are actually based in my district, the Third Congressional District of Ohio. Those are the Whitehall Credit Union, Producers Employee Credit Union, and the Central Credit Union. Additionally, this legislation has garnered support from the exclusive insurers of privately insured credit unions across the country—American Share Insurance, or ASI. ASI, which is based in central Ohio, which is just north of my district, continues to provide employment for many Ohioans, and it has never previously had a privately insured credit union depositor lose money.

Therefore, I urge the support of H.R. 299 because this bipartisan legislation is good policy, is good for small credit unions, and may spur the growth of small credit unions, which serve the needs of their members, both individuals and businesses. Importantly, H.R. 299 has bipartisan, nationwide support for local communities and businesses.

Mr. Speaker, I believe this legislation is a perfect example of the type of regular order, committee-driven actions that we should use, actually, as a template for bipartisan cooperation in the House and which, indeed, if enacted, would bring real benefits to the national housing market. I urge Members to vote "yes" on H.R. 299.

Mr. NEUGEBAUER. Mr. Speaker, I have no other speakers at this time, and I reserve the balance of my time.

Mr. CAPUANO. Mr. Speaker, we have no further speakers. I would just like to add my voice in support of this bill. It is a very commonsense bill, and I am proud to be able to support it.

I yield back the balance of my time.

Mr. NEUGEBAUER. Mr. Speaker, I just want to echo the remarks that have been made.

This is a commonsense bill. It helps Main Street, and it helps consumers. There was a little glitch here in the marketplace when these privately insured credit unions were not able to access the Federal Home Loan Banks. It just makes sense that they do that. This bill passed out of our committee 56-1. With that, I urge my colleagues to pass this bill.

I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BYRNE). The question is on the motion offered by the gentleman from Texas (Mr. NEUGEBAUER) that the House suspend the rules and pass the bill, H.R. 299.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

ELIMINATE PRIVACY NOTICE
CONFUSION ACT

Mr. NEUGEBAUER. Mr. Speaker, I move to suspend the rules and pass the

bill (H.R. 601) to amend the Gramm-Leach-Bliley Act to provide an exception to the annual privacy notice requirement.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 601

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Eliminate Privacy Notice Confusion Act".

SEC. 2. EXCEPTION TO ANNUAL PRIVACY NOTICE REQUIREMENT UNDER THE GRAMM-LEACH-BLILEY ACT.

Section 503 of the Gramm-Leach-Bliley Act (15 U.S.C. 6803) is amended by adding at the end the following:

"(f) EXCEPTION TO ANNUAL NOTICE REQUIREMENT.—A financial institution that—

"(1) provides nonpublic personal information only in accordance with the provisions of subsection (b)(2) or (e) of section 502 or regulations prescribed under section 504(b), and

"(2) has not changed its policies and practices with regard to disclosing nonpublic personal information from the policies and practices that were disclosed in the most recent disclosure sent to consumers in accordance with this section, shall not be required to provide an annual disclosure under this section until such time as the financial institution fails to comply with any criteria described in paragraph (1) or (2)."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. NEUGEBAUER) and the gentleman from Massachusetts (Mr. CAPUANO) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. NEUGEBAUER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and to add extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. NEUGEBAUER. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Missouri (Mr. LUETKEMEYER), the original author of this bill and one who has done a lot of work in this area.

Mr. LUETKEMEYER. Thank you, Mr. Chairman.

Mr. Speaker, year after year, millions of dollars are spent on privacy notices that are either disregarded or are confusing to consumers. Let's think about the cost of this.

This outdated requirement doesn't cost in postage alone, but it also adds its compliance costs, the cost of supplies, printing fees, and man hours. Under current law, financial institutions are required to provide annual privacy notices explaining information-sharing practices to customers. Banks and credit unions have had to give these notices each year even if the privacy policies have not changed. This creates not only waste for financial institutions but confusion and increased costs to consumers.

I talked to one community bank in my district recently that said they spend, roughly, 70 cents per disclosure. With a minimum of 250,000 accounts and customers, this one bank spends at least \$175,000 on this one requirement. It may not seem like a lot of money to my colleagues, but I can tell you that \$175,000 is a lot of money for a small institution like the one in my district. By the way, this is an institution with less than \$10 billion in assets, so it will not be helped by the recent changes implemented by the CFPB.

I want to be completely clear on what exactly this bill will do. This legislation will only remove the Gramm-Leach-Bliley annual privacy notice requirement if an institution has not in any way changed its privacy policies or procedures. This legislation does not exempt an institution from an initial privacy notice, nor does it allow a loophole for an institution to avoid using an updated notice.

The language is not controversial; it does not jeopardize consumer privacy; and it does not exempt any institution from having to produce an initial or an amended privacy notice. This legislation does eliminate millions of costly, confusing, and often ignored mailings; and with the passage of this bill, information included in these mailings would likely become more significant to the consumer because it would come only when a change in the privacy notice policy is effected.

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I would like to remind my colleagues that similar language passed the House by a voice vote in the 111th, 112th, and 113th Congresses.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. NEUGEBAUER. I yield an additional 1 minute to the gentleman.

Mr. LUETKEMEYER. In March of this year, this legislation passed the Committee on Financial Services by a voice vote of 57-0. This legislation is supported by a litany of trade associations representing banks and credit unions.

I want to thank the gentleman from California (Mr. SHERMAN), my good friend across the aisle, for his bipartisan work on this bill.

I ask my colleagues for their support.

Mr. CAPUANO. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, I thank the gentleman for yielding.

I thank the gentleman from Missouri (Mr. LUETKEMEYER) for his tireless work on this bill. This bill has passed virtually unanimously this House in the 111th, 112th, and 113th Congresses. Now it has passed our committee 57-0.

I want to commend Director Cordray of the Consumer Financial Protection Bureau for moving in the direction of this bill as far as they could, but now it is time to codify this important change. This will not only save money

for the small- and medium-sized institutions and the entire financial services industry; it is going to get the consumer to focus on changes that are important.

There is no better way to hide a tree than to put it in the forest, and there is no better way to trivialize and cause consumers to ignore important legally required notification than to deluge them with unnecessary, meaningless, and repetitive notifications.

This bill will make our system more efficient. It is not only consistent, I believe, with what the regulators would like to do; it has passed, overwhelmingly, every time Members of the House have had a chance to deal with it.

I commend the gentleman from Missouri (Mr. LUETKEMEYER).

Mr. NEUGEBAUER. Mr. Speaker, I don't have any other speakers, so I will reserve the balance of my time.

Mr. CAPUANO. Mr. Speaker, I would just like to add my voice to those who support this bill, another commonsense bill that hopefully won't take us three more Congresses to get our friends on the other side to actually take action on something that is relatively simple and straightforward. I personally throw out six or seven of these notifications every month, so I would assume that millions of people are doing the same.

I yield back the balance of my time.

Mr. NEUGEBAUER. Mr. Speaker, I just want to add my support as well to this bill. This is a commonsense bill. This bill passed 57-0 in our committee. It ends a lot of confusion. You get those privacy notices when you open those accounts, and then all of a sudden next year you get another one, and you are trying to figure out whether you should have gotten one, and if you should read that. What we have found is that probably a lot of people aren't reading those. This is a very commonsense bill, and I encourage people to support that.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. NEUGEBAUER) that the House suspend the rules and pass the bill, H.R. 601.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

HELPING EXPAND LENDING PRACTICES IN RURAL COMMUNITIES ACT

Mr. NEUGEBAUER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1259) to provide for an application process for interested parties to apply for an area to be designated as a rural area, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows: