

116<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 6385

To provide temporary relief from troubled debt restructuring disclosures, to delay the implementation of certain accounting standards for depository institutions substantially affected by COVID–19, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 25, 2020

Mr. CURTIS introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To provide temporary relief from troubled debt restructuring disclosures, to delay the implementation of certain accounting standards for depository institutions substantially affected by COVID–19, 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 “Small Business-Com-  
5 munity Banker COVID–19 Relief Act of 2020”.

1 **SEC. 2. SENSE OF CONGRESS RELATING TO COMMUNITY**  
2 **BANKER-SMALL BUSINESS PARTNERSHIP EN-**  
3 **HANCEMENT.**

4 It is the sense of Congress that a depository institu-  
5 tion may delay any requirements for a payment on a loan  
6 made to a small business concern substantially affected  
7 by COVID–19 for the period during which such concern  
8 is unable to make any payment due.

9 **SEC. 3. TEMPORARY RELIEF FROM TROUBLED DEBT RE-**  
10 **STRUCTURING DISCLOSURES.**

11 Notwithstanding any other provision of law, an in-  
12 sured depository institution that modifies a loan to a small  
13 business concern substantially affected by COVID–19 in  
14 a troubled debt restructuring on or after March 13, 2020,  
15 shall not be required to comply with the identification and  
16 disclosures standards issued by the Financial Accounting  
17 Standards Board Accounting Standards Codification Sub-  
18 topic 310–40 (“Receivables—Troubled Debt Restructur-  
19 ings by Creditors”) for purposes of section 27(a)(2)(A) of  
20 the Federal Deposit Insurance Act, until such time and  
21 under such circumstances as the appropriate Federal  
22 banking agency determines appropriate.

23 **SEC. 4. DELAYED IMPLEMENTATION FOR CECL.**

24 No Federal agency, including any of the Federal fi-  
25 nancial regulators, may require a depository institution

1 that has been substantially affected by COVID–19 to com-  
2 ply with CECL for any purpose.

3 **SEC. 5. DEFINITIONS.**

4 In this Act:

5 (1) CECL.—The term “CECL” means the ac-  
6 counting standard in “Accounting Standards Update  
7 2016–13, Financial Instruments—Credit Losses  
8 (Topic 326)”, issued by the Financial Accounting  
9 Standards Board in June 2016, as amended by “Ac-  
10 counting Standards Update 2018–19, Codification  
11 Improvements to Topic 326, Financial Instru-  
12 ments—Credit Losses”, issued by the Financial Ac-  
13 counting Standards Board in November 2018.

14 (2) DEPOSITORY INSTITUTION.—The term “de-  
15 pository institution” means any bank or savings as-  
16 sociation.

17 (3) FEDERAL DEPOSIT INSURANCE ACT DEFINI-  
18 TIONS.—The terms “appropriate Federal banking  
19 agency” and “insured depository institution” have  
20 the meanings given such terms, respectively, in sec-  
21 tion 3 of the Federal Deposit Insurance Act.

22 (4) FEDERAL FINANCIAL REGULATORS.—The  
23 term “Federal financial regulators” means—

24 (A) the Department of the Treasury;

1 (B) the Board of Governors of the Federal  
2 Reserve System;

3 (C) the Bureau of Consumer Financial  
4 Protection;

5 (D) the Office of the Comptroller of the  
6 Currency;

7 (E) the Commodity Futures Trading Com-  
8 mission;

9 (F) the Federal Deposit Insurance Cor-  
10 poration;

11 (G) the Federal Housing Finance Agency;

12 (H) the National Credit Union Administra-  
13 tion; and

14 (I) the Securities and Exchange Commis-  
15 sion.

16 (5) SMALL BUSINESS CONCERN.—The term  
17 “small business concern” has the meaning given  
18 such term under section 3 of the Small Business  
19 Act.

20 (6) SUBSTANTIALLY AFFECTED.—The term  
21 “substantially affected by COVID–19” means, with  
22 respect to a small business concern or depository in-  
23 stitution, an experience of any of the following as  
24 the result of Federal, State, or local government ac-  
25 tion taken to reduce the impact of COVID–19:

1 (A) Supply chain disruptions, including  
2 changes in—

3 (i) quantity and lead time, including  
4 the number of shipments of components  
5 and delays in shipments;

6 (ii) quality, including shortages in  
7 supply for quality control reasons; and

8 (iii) technology, including a com-  
9 promised payment network.

10 (B) Staffing challenges.

11 (C) Decrease in sales or customers.

12 (D) Shuttered businesses.

13 (E) Negative effects on revenue, earnings,  
14 income, debt, or equity.

15 (F) Any additional negative effect identi-  
16 fied by any Federal financial regulator.

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