

That the Senate passed without amendment H.R. 4120.

With best wishes, I am
Sincerely,

KAREN L. HAAS.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 11 minutes p.m.), the House stood in recess.

□ 1630

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. BLACK) at 4 o'clock and 30 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

CAPITAL ACCESS FOR SMALL COMMUNITY FINANCIAL INSTITUTIONS ACT OF 2014

Mrs. CAPITO. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 3584) to amend the Federal Home Loan Bank Act to authorize privately insured credit unions to become members of a Federal home loan bank, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3584

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 "Capital Access for Small Community Financial Institutions Act of 2014".

SEC. 2. PRIVATELY INSURED CREDIT UNIONS AUTHORIZED TO BECOME MEMBERS OF A FEDERAL HOME LOAN BANK.

(a) IN GENERAL.—Section 4(a) of the Federal Home Loan Bank Act (12 U.S.C. 1424(a)) is amended by adding at the end the following new paragraph:

"(5) CERTAIN PRIVATELY INSURED CREDIT UNIONS.—

"(A) IN GENERAL.—Subject to the requirements of subparagraph (B), a credit union shall be treated as an insured depository institution for purposes of determining the eligibility of such credit union for membership in a Federal home loan bank under paragraphs (1), (2), and (3).

"(B) CERTIFICATION BY APPROPRIATE SUPERVISOR.—

"(i) IN GENERAL.—For purposes of this paragraph and subject to clause (ii), a credit union which lacks Federal deposit insurance and which has applied for membership in a

Federal home loan bank may be treated as meeting all the eligibility requirements for Federal deposit insurance only if the appropriate supervisor of the State in which the credit union is chartered has determined that the credit union meets all the eligibility requirements for Federal deposit insurance as of the date of the application for membership.

"(ii) CERTIFICATION DEEMED VALID.—If, in the case of any credit union to which clause (i) applies, the appropriate supervisor of the State in which such credit union is chartered fails to make a determination pursuant to such clause by the end of the 6-month period beginning on the date of the application, the credit union shall be deemed to have met the requirements of clause (i).

"(C) SECURITY INTERESTS OF FEDERAL HOME LOAN BANK NOT AVOIDABLE.—Notwithstanding any provision of State law authorizing a conservator or liquidating agent of a credit union to repudiate contracts, no such provision shall apply with respect to—

"(i) any extension of credit from any Federal home loan bank to any credit union which is a member of any such bank pursuant to this paragraph; or

"(ii) any security interest in the assets of such credit union securing any such extension of credit.

"(D) PROTECTION FOR CERTAIN FEDERAL HOME LOAN BANK ADVANCES.—Notwithstanding any State law to the contrary, if a Bank makes an advance under section 10 to a State-chartered credit union that is not federally insured—

"(i) the Bank's interest in any collateral securing such advance has the same priority and is afforded the same standing and rights that the security interest would have had if the advance had been made to a federally-insured credit union; and

"(ii) the Bank has the same right to access such collateral that the Bank would have had if the advance had been made to a federally-insured credit union."

(b) COPIES OF AUDITS OF PRIVATE INSURERS OF CERTAIN DEPOSITORY INSTITUTIONS REQUIRED TO BE PROVIDED TO SUPERVISORY AGENCIES.—Section 43(a)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1831t(a)(2)(A)) is amended—

(1) in clause (i), by striking "and" at the end;

(2) in clause (ii), by striking the period at the end and inserting a semicolon; and

(3) by inserting at the end the following new clause:

"(iii) in the case of depository institutions described in subsection (e)(2)(A) the deposits of which are insured by the private insurer which are members of a Federal home loan bank, to the Federal Housing Finance Agency, not later than 7 days after the audit is completed."

SEC. 3. GAO REPORT.

Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study and submit a report to Congress—

(1) on the adequacy of insurance reserves held by a private deposit insurer that insures deposits in an entity described in section 43(e)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1831t(e)(2)(A)); and

(2) for an entity described in paragraph (1) the deposits of which are insured by a private deposit insurer, information on the level of compliance with Federal regulations relating to the disclosure of a lack of Federal deposit insurance.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from West Virginia (Mrs. CAPITO) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentlewoman from West Virginia.

General Leave

Mrs. CAPITO. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and submit extraneous materials for the RECORD on H.R. 3584, as amended, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from West Virginia?

There was no objection.

Mrs. CAPITO. Madam Speaker, I yield myself such time as I may consume.

I would like to thank the gentleman from Ohio (Mr. STIVERS) and the gentlewoman from Ohio (Mrs. BEATTY) for their efforts in drafting the legislation before us this afternoon.

The Capital Access for Small Community Financial Institutions Act is bipartisan legislation that passed the House Financial Services Committee by a vote of 55-0 earlier this spring. This bill will provide meaningful regulatory relief for privately insured credit unions by allowing them to become members of the Federal Home Loan Bank system.

There are approximately 130 privately insured credit unions, with nearly \$13 billion in assets in nine States across the country. These credit unions currently cannot join the Federal Home Loan Bank system, which provides an additional source of mortgage funding for its members. Allowing privately insured credit unions to join the Federal Home Loan Bank system will allow these credit unions to increase the availability of mortgage credit in the communities that they serve.

I commend the office for identifying this inequity and putting forth this legislation. This issue is not new. Similar provisions were included in the previous regulatory relief measures that passed the House with overwhelming support.

I urge my colleagues to support this legislation, and I reserve the balance of my time.

Ms. WATERS. Madam Speaker, I yield myself such time as I may consume.

I rise to support H.R. 3584, a bill that permits credit unions insured by private companies access to the Federal Home Loan Bank system. Today, there are 132 credit unions with approximately \$13 billion in assets that cannot access additional liquidity for mortgage credit but for a statutory obstacle requiring credit unions to have Federal insurance. With membership, privately insured credit unions will be able to offer their members mortgages at more affordable rates and other products, which, in turn, helps many communities across the country.

In the past, some Members raised concerns that the home loan banks should only serve federally insured institutions, but I believe that those concerns have been largely addressed with