

HR 2572

Regulatory Relief for Credit Unions Act of 2013

Congress: 113 (2013–2015, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Jun 28, 2013

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (Jun 28, 2013)

Official Text: <https://www.congress.gov/bill/113th-congress/house-bill/2572>

Sponsor

Name: Rep. Miller, Gary G. [R-CA-31]

Party: Republican • **State:** CA • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Jun 28, 2013

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
113 HR 3468	Related bill	Dec 18, 2014: Became Public Law No: 113-252.

Regulatory Relief for Credit Unions Act of 2013 - Amends the Federal Credit Union Act to authorize the National Credit Union Administration Board (NCUAB), if it determines that a regulation issued by the Consumer Financial Protection Bureau (CFPB) would create an undue hardship when applied to credit unions, to: (1) delay the regulation's application to credit unions until the NCUAB determines that it would not create an undue hardship; and (2) modify the regulation as it applies to credit unions, so long as the modification meets CFPB's objective in issuing the regulation.

Authorizes a federal credit union to apply for NCUAB permission to comply with a state law applicable to a state credit union in lieu of applicable federal regulation (if any), for purposes of the credit union's branches located in that state. Limits such permission only to the state for which permission is given. Prohibits a federal credit union from complying with the regulation in any other state in lieu of the applicable federal regulation.

Prohibits a federal credit union, however, from applying for permission to comply with state law if it would conflict with federal limitations on member business loans.

Requires the NCUAB to: (1) implement a two-tier system of net worth ratios for credit unions, consisting of a risk-based net worth ratio and a net worth capital ratio; and (2) establish standards for leverage ratios to the same extent as are provided for net worth ratios.

Redefines net worth to include components of equity under generally accepted accounting principles not included in retained earnings.

Increases the net worth ratios for well-capitalized, adequately capitalized, undercapitalized, and significantly undercapitalized credit unions.

Directs the NCUAB to design the risk-based net worth requirement to account for material risks applicable to insured credit unions that are taken account of by comparable standards applicable to institutions insured by the Federal Deposit Insurance Corporation (FDIC).

Prohibits the NCUAB from reclassifying an insured credit union into a lower net worth category due solely to interest rate risk, or treat an insured credit union as if it were in a lower net worth category, for reasons not pertaining to its safety and soundness.

Exempts from the requirement of a net worth restoration plan any credit union undercapitalized as a result of a major natural or man-made disaster.

Eliminates the requirement that an insured credit union that is not well-capitalized set aside an earnings-retention amount annually. Authorizes the NCUAB to require an insured credit union that is not well-capitalized, instead, to submit a net worth restoration plan.

Directs the NCUAB to study problems associated with the current prompt corrective action regime.

Amends the Consumer Financial Protection Act of 2010 to require each regulation issued by the NCUAB and the CFPB to include a cost-benefit analysis detailing the estimated cost of compliance compared to its measurable benefit.

Directs the Comptroller General (GAO) to study whether improvements or modernization is needed for the Central Liquidity Facility.

Permits a federal credit union to: (1) purchase and hold for its own account investment grade securities, not exceeding 10% of its total assets; and (2) purchase mortgage servicing rights as an investment, including mortgage servicing rights from other credit unions.

Modifies NCUAB authority to define the extent of share insurance coverage for member accounts where a member holds funds for the use of a nonmember. Requires coverage for an account established by a member to be consistent with FDIC coverage, regardless of the membership status of the owner of funds deposited in an account established by a member.

Amends the Consumer Financial Protection Act of 2010 to authorize a federal banking agency, when it determines that a CFPB regulation would create an undue hardship upon a depository institution the agency regulates, to: (1) delay the regulation's application until the application would not create an undue hardship, and (2) modify the regulation so long as the modification meets the CFPB objective in issuing the regulation.

Requires that: (1) each CFPB regulation applicable to a depository institution include a cost-benefit analysis comparing the estimated cost of compliance with the regulation's measurable benefit, and (2) any information provided by a depository institution for purposes of that analysis be voluntary.

Actions Timeline

- **Jun 28, 2013:** Introduced in House
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