

HR 3109

Common Sense Economic Recovery Act of 2015

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Jul 16, 2015

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

Latest Action: Referred to the House Committee on Financial Services. (Jul 16, 2015)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/3109>

Sponsor

Name: Rep. Posey, Bill [R-FL-8]

Party: Republican • State: FL • Chamber: House

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Westmoreland, Lynn A. [R-GA-3]	R · GA		Jul 22, 2015

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Jul 16, 2015

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

## **Common Sense Economic Recovery Act of 2015**

This bill cites circumstances under which, for purposes of determining capital requirements or measuring an insured depository institution's capital, such an institution may treat a non-accrual loan as an accrual loan.

(Non-accrual [also known as non-performing or doubtful] loans are those on which interest is overdue and full collection of principal is uncertain, and so interest, if it has not been paid in over 90 days, cannot be credited to the bank's revenue account until it has actually been received.)

An insured depository institution may treat a non-accrual loan as an accrual loan if: (1) the loan is current, (2) no monthly payment has been more than 30 days delinquent during the previous 6-month period, and (3) loan payments are being made pursuant to the contract terms and all parties agree to any refinances and modifications.

A modified or restructured loan may not be treated as a non-accrual loan if the borrower demonstrates the ability to perform on such a loan: (1) over a period of 6 months; or (2) over a period of 3 consecutive payments in the case of a quarterly, semi-annual, or longer repayment schedule.

The appropriate federal banking agency is prohibited from: (1) imposing any additional accounting requirements upon an insured depository institution with respect to a loan treated as an accrual loan under this Act if the result of such requirement would adversely impact measurement of the institution's capital, or (2) requiring an insured depository institution to treat a loan as a non-accrual loan solely because the loan collateral has reduced in value.

Any issuer of a security registered under the Securities Exchange Act of 1934 is excluded from the accounting requirements and prohibitions of this Act.

The Financial Stability Oversight Council must study how best to prevent the issuance of contradictory guidance to such institutions by federal banking agencies with respect to loan classifications and capital requirements.

## **Actions Timeline**

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- **Jul 16, 2015:** Introduced in House
- **Jul 16, 2015:** Referred to the House Committee on Financial Services.