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Additions and Deletions are not identified in this document.

For Legislative History of Act, see LH database or Report for this Public Law in U.S.C.C. & A.N. Legislative History section.

PL 103-325 (HR 3474)  
September 23, 1994  
RIEGLE COMMUNITY DEVELOPMENT AND REGULATORY IMPROVEMENT ACT OF 1994

An Act to reduce administrative requirements for insured depository institutions to the extent consistent with safe and sound banking practices, to facilitate the establishment of community development financial institutions, and for other purposes.

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

<< 12 USCA § 4701 NOTE >>

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.--This Act may be cited as the "Riegle Community Development and Regulatory Improvement Act of 1994".

(b) TABLE OF CONTENTS.--The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I--COMMUNITY DEVELOPMENT AND CONSUMER PROTECTION  
Subtitle A--Community Development Banking and Financial Institutions Act

Sec. 101. Short title.

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Sec. 112. Investment of receipts and proceeds.

Sec. 113. Capitalization assistance to enhance liquidity.

Sec. 114. Incentives for depository institution participation.

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Sec. 116. Special provisions with respect to institutions that are supervised by Federal banking agencies.

Sec. 117. Studies and reports; examination and audit.

Sec. 118. Inspector General.

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Sec. 120. Community Development Revolving Loan Fund for credit unions.

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Subtitle B--Home Ownership and Equity Protection

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Sec. 152. Consumer protections for certain mortgages.

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Sec. 155. Regulations.

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Sec. 158. Hearings on home equity lending.

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Sec. 202. Small business related security.

Sec. 203. Applicability of margin requirements.

Sec. 204. Borrowing in the course of business.

Sec. 205. Small business related securities as collateral.

Sec. 206. Investment by depository institutions.

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Sec. 208. Insured depository institution capital requirements for transfers of

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small business obligations.

Sec. 209. Joint study on the impact of additional securities based on pooled obligations.

Sec. 210. Consistent use of financial terminology.

Subtitle B--Small Business Capital Enhancement

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Sec. 252. Definitions.

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Sec. 254. Participation agreements.

Sec. 255. Terms of participation agreements.

Sec. 256. Reports.

Sec. 257. Reimbursement by the Fund.

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Sec. 259. Regulations.

Sec. 260. Authorization of appropriations.

Sec. 261. Effective date.

TITLE III--PAPERWORK REDUCTION AND REGULATORY IMPROVEMENT

Sec. 301. Incorporated definitions.

Sec. 302. Administrative consideration of burden with new regulations.

Sec. 303. Streamlining of regulatory requirements.

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Sec. 304. Elimination of duplicative filings.

Sec. 305. Coordinated and unified examinations.

Sec. 306. Eighteen-month examination rule for certain small institutions.

Sec. 307. Call report simplification.

Sec. 308. Repeal of publication requirements.

Sec. 309. Regulatory appeals process, ombudsman, and alternative dispute resolution.

Sec. 310. Electronic filing of currency transaction reports.

Sec. 311. Bank Secrecy Act publication requirements.

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Sec. 313. Flexibility in choosing boards of directors.

Sec. 314. Holding company audit requirements.

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Sec. 316. Acceleration of effective date for interaffiliate transactions.

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Sec. 319. Expedited procedures.

Sec. 320. Exemption of certain holding company formations from registration under the Securities Act of 1933.

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Sec. 321. Reduction of post-approval waiting periods for certain acquisitions and mergers.

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Sec. 323. Bank Service Corporation Act amendment.

Sec. 324. Merger transaction reports.

Sec. 325. Credit card accounts receivable sales.

Sec. 326. Limiting potential liability on foreign accounts.

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Sec. 329. Study on the impact of the payment of interest on reserves.

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Sec. 332. Exemption for business accounts.

Sec. 333. Study on check-related fraud.

Sec. 334. Insider lending.

Sec. 335. Revisions of standards.

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Sec. 522. Expanded flood insurance purchase requirements.

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<< 12 USCA § 4701 NOTE >>

TITLE I--COMMUNITY DEVELOPMENT AND CONSUMER PROTECTION  
Subtitle A--Community Development Banking and Financial Institutions Act

SEC. 101. SHORT TITLE.

This subtitle may be cited as the "Community Development Banking and Financial Institutions Act of 1994".

<< 12 USCA § 4701 >>

SEC. 102. FINDINGS AND PURPOSES.

(a) FINDINGS.--The Congress finds that--

(1) many of the Nation's urban, rural, and Native American communities face critical social and economic problems arising in part from the lack of economic growth, people living in poverty, and the lack of employment and other opportunities;

(2) the restoration and maintenance of the economies of these communities will require coordinated development strategies, intensive supportive services, and increased access to equity investments and loans for development activities, including investment in businesses, housing, commercial real estate, human development, and other activities that promote the long-term economic and social viability of the community; and

(3) community development financial institutions have proven their ability to identify and respond to community needs for equity investments, loans, and development services.

(b) PURPOSE.--The purpose of this subtitle is to create a Community Development Financial Institutions Fund to promote economic revitalization and community development through investment in and assistance to community development financial institutions, including enhancing the liquidity of community development financial institutions.

<< 12 USCA § 4702 >>

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SEC. 103. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) ADMINISTRATOR.--The term "Administrator" means the Administrator of the Fund appointed under section 104(b).

(2) APPROPRIATE FEDERAL BANKING AGENCY.--The term "appropriate Federal banking agency" has the same meaning as in section 3 of the Federal Deposit Insurance Act, and also includes the National Credit Union Administration Board with respect to insured credit unions.

(3) AFFILIATE.--The term "affiliate" has the same meaning as in section 2(k) of the Bank Holding Company Act of 1956.

(4) BOARD.--The term "Board" means the Community Development Advisory Board established under section 104(d).

(5) COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.--

(A) IN GENERAL.--The term "community development financial institution" means a person (other than an individual) that--

(i) has a primary mission of promoting community development;

(ii) serves an investment area or targeted population;

(iii) provides development services in conjunction with equity investments or loans, directly or through a subsidiary or affiliate;

(iv) maintains, through representation on its governing board or otherwise, accountability to residents of its investment area or targeted population; and

(v) is not an agency or instrumentality of the United States, or of any State or political subdivision of a State.

(B) CONDITIONS FOR QUALIFICATION OF HOLDING COMPANIES.--

(i) CONSOLIDATED TREATMENT.--A depository institution holding company may qualify as a community development financial institution only if the holding company and the subsidiaries and affiliates of the holding company collectively satisfy the requirements of subparagraph (A).

(ii) EXCLUSION OF SUBSIDIARY OR AFFILIATE FOR FAILURE TO MEET CONSOLIDATED TREATMENT RULE.--No subsidiary or affiliate of a depository institution holding company may qualify as a community development financial institution if the holding company and the subsidiaries and affiliates of the holding company do not collectively meet the requirements of subparagraph (A).

(C) CONDITIONS FOR SUBSIDIARIES.--No subsidiary of an insured depository institution may qualify as a community development financial institution if the

insured depository institution and its subsidiaries do not collectively meet the requirements of subparagraph (A).

(6) COMMUNITY PARTNER.--The term "community partner" means a person (other than an individual) that provides loans, equity investments, or development services, including a depository institution holding company, an insured depository institution, an insured credit union, a nonprofit organization, a State or local government agency, a quasi-governmental entity, and an investment company authorized to operate pursuant to the Small Business Investment Act of 1958.

(7) COMMUNITY PARTNERSHIP.--The term "community partnership" means an agreement between a community development financial institution and a community partner to provide development services, loans, or equity investments, to an investment area or targeted population.

(8) DEPOSITORY INSTITUTION HOLDING COMPANY.--The term "depository institution holding company" has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(9) DEVELOPMENT SERVICES.--The term "development services" means activities that promote community development and are integral to lending or investment activities, including--

(A) business planning;

(B) financial and credit counseling; and

(C) marketing and management assistance.

(10) FUND.--The term "Fund" means the Community Development Financial Institutions Fund established under section 104(a).

(11) INDIAN RESERVATION.--The term "Indian reservation" has the same meaning as in section 4(10) of the Indian Child Welfare Act of 1978, and shall include land held by incorporated Native groups, regional corporations, and village corporations, as defined in or established pursuant to the Alaska Native Claims Settlement Act, public domain Indian allotments, and former Indian reservations in the State of Oklahoma.

(12) INDIAN TRIBE.--The term "Indian tribe" means any Indian tribe, band, pueblo, nation, or other organized group or community, including any Alaska Native village or regional or village corporation, as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(13) INSURED COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.--The term "insured community development financial institution" means any community development financial institution that is an insured depository institution or an insured credit union.

(14) INSURED CREDIT UNION.--The term "insured credit union" has the same meaning