

**** House Offer ****

Title: Title VI

Matter: Improvements to Regulation of Bank and Savings Association Holding Companies and Depository Institutions

The House proposes the following amendments to the Base text:

1. **Amend Senate Provision** regarding moratorium on applications for credit card banks, industrial loan companies, and certain other depository institutions to allow for limited investments in the parent company. (Senate bill, § 603, page 514, after line 4).
2. **Amend Senate Provision** regarding functionally regulated subsidiaries to delete insurance companies from the definition because there is no federal regulation of insurance companies, and other technical and conforming changes to the section on holding company reports and the definition of functionally regulated subsidiary. (Senate bill § 604, page 521, line 4 – page 529, line 20).
3. **Amend Senate Provision** on banking agency authority over holding company subsidiaries to require Federal Reserve to examine nonbank subsidiaries that engage in bank-permissible activities. (Senate bill § 605, page 530).
4. **Amend Senate Provision** on requirements for bank holding companies to remain well capitalized and well managed to engage in expanded activities so that it applies to savings & loan holding companies as well. (Senate bill § 606, page 538, after line 24).
5. **Strike Senate Provision** applying national bank lending to state-chartered banks. (Senate bill § 611, Page 551, lines 11-23).
6. **Amend Senate Provision** restricting charter conversions of banks and savings associations subject to an enforcement order, to allow for charter conversions not opposed by both the old and new federal banking agency. (Senate bill § 612, pages 552-553).
7. **Amend Senate Provision** on regulations regarding capital levels at holding companies to incorporate House provision on countercyclical capital. (Senate bill § 616, page 557, lines 1-14; House bill § 1255).
8. **Amend Senate Provision** on securities holding companies to better reflect House position by limiting eligibility to register as a securities holding company. (Senate bill, §618, page 559, line 16 – 570, line 2; House bill, § 1961, pages 533 – 541)).
9. **Amend Senate Provision** on concentration limits on large financial firms to amend the definition of financial company to more closely conform to other portions of the bill. (Senate bill § 620, page 583, lines 11-23).

10. **Amend House Provision** on treatment of dividends by certain mutual holding companies to clarify universe of applicable companies who have relied on OTS rules in this regard. (Base text § 623, pages 595-598; House bill § 1219)
11. **Add Portions of House Provision** requiring use of intermediate holding companies by commercial firms that control grandfathered unitary thrift holding companies. (House bill § 1103).
12. **Add House provision** on repeal of prohibition of banks paying interest on demand deposits. (House bill § 11001)
13. **Add House Provision** permitting credit card banks to issue credit cards to small businesses (House bill §1301(a)(4)(B))