

118TH CONGRESS
1ST SESSION

H. R. 4204

To amend the Federal Deposit Insurance Act to exempt community banks from any special assessment of the Federal Deposit Insurance Corporation caused by the use of the systemic risk authority under that Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 2023

Mr. GREEN of Texas introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Federal Deposit Insurance Act to exempt community banks from any special assessment of the Federal Deposit Insurance Corporation caused by the use of the systemic risk authority under that Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Shielding Community
5 Banks from Systemic Risk Assessments Act”.

1 **SEC. 2. SPECIAL ASSESSMENTS TO RECOVER LOSSES DUE**
2 **TO THE USE OF SYSTEMIC RISK AUTHORITY.**

3 (a) FINDINGS.—Congress finds the following:

4 (1) Community banks, including rural banks,
5 community development financial institutions, and
6 minority depository institutions, did not cause or
7 contribute to the recent bank failures of Silicon Val-
8 ley Bank and Signature Bank, and otherwise may
9 have seen deposit outflows due to the mismanage-
10 ment of these large banks.

11 (2) The Federal Deposit Insurance Corporation
12 has broad flexibility under law to exempt community
13 banks from the special assessment that the Corpora-
14 tion will need to charge to recoup losses from the
15 use of the systemic risk exception.

16 (b) SENSE OF CONGRESS.—It is the sense of the
17 Congress that the Federal Deposit Insurance Corporation
18 should fully exempt community banks from any special as-
19 sessment to recoup losses to the Deposit Insurance Fund
20 due to the failures of Silicon Valley Bank and Signature
21 Bank and the use of the systemic risk exception.

22 (c) LIMITATIONS ON SPECIAL ASSESSMENTS RE-
23 LATED TO THE USE OF THE SYSTEMIC RISK AUTHOR-
24 ITY.—Section 13(c)(4)(G)(ii) of the Federal Deposit In-
25 surance Act (12 U.S.C. 1823(c)(4)(G)(ii)) is amended by
26 adding at the end the following:

1 “(IV) EXEMPTIONS; GRADUATED
2 ASSESSMENTS.—With respect to any
3 special assessment described under
4 this clause, the Corporation shall—

5 “(aa) exempt insured deposi-
6 tory institutions and depository
7 institution holding companies
8 with less than \$5,000,000,000 in
9 consolidated assets (or such high-
10 er asset amount as the Corpora-
11 tion determines appropriate); and

12 “(bb) graduate the amount
13 of such special assessments such
14 that insured depository institu-
15 tions and depository institution
16 holding companies with less than
17 \$50,000,000,000 in consolidated
18 assets pay a significantly smaller
19 portion of such assessment than
20 those insured depository institu-
21 tions and depository institution
22 holding companies with
23 \$50,000,000,000 or more in con-
24 solidated assets.”.

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