

118TH CONGRESS  
1ST SESSION

# H. R. 3914

To prohibit the use of certain concentration limit exceptions applicable to mergers involving a failed bank if there are other qualifying bids, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 7, 2023

Mr. LYNCH introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To prohibit the use of certain concentration limit exceptions applicable to mergers involving a failed bank if there are other qualifying bids, 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 “Failing Bank Acquisi-  
5 tion Fairness Act”.

6 **SEC. 2. CONCENTRATION LIMIT EXCEPTIONS ONLY AVAIL-**  
7 **ABLE WHEN NO OTHER QUALIFYING BIDS.**

8 (a) NATIONWIDE CONCENTRATION LIMIT WITH RE-  
9 SPECT TO DEPOSITS.—Section 44(e) of the Federal De-

1 posit Insurance Act (12 U.S.C. 1831u(e)) is amended by  
2 adding at the end the following: “Notwithstanding the pre-  
3 vious sentence, if the responsible agency receives more  
4 than one application under subsection (a)(1) for approval  
5 of a merger transaction involving the acquisition of the  
6 same bank in default or in danger of default or with re-  
7 spect to which the Corporation provides assistance under  
8 section 13(c), the responsible agency may only approve  
9 such an application without regard to subsection (b)(2)(A)  
10 if none of the other applications can be approved in com-  
11 pliance with subsection (b)(2)(A).”.

12 (b) CONCENTRATION LIMIT WITH RESPECT TO CON-  
13 SOLIDATED LIABILITIES.—Section 14(c) of the Bank  
14 Holding Company Act of 1956 (12 U.S.C. 1852(c)) is  
15 amended—

16 (1) by redesignating paragraphs (1), (2), and  
17 (3) as subparagraphs (A), (B), and (C) (and adjust-  
18 ing the margins accordingly);

19 (2) by striking “With the” and inserting the  
20 following:

21 “(1) IN GENERAL.—With the”; and

22 (3) by adding at the end the following:

23 “(2) LIMITATION.—If the Board receives more  
24 than one application for an acquisition of a bank in  
25 default or in danger of default or with respect to

1       which the Federal Deposit Insurance Corporation  
2       provides assistance under section 13(c) of the Fed-  
3       eral Deposit Insurance Act, the Board may only give  
4       consent under paragraph (1) to waive the concentra-  
5       tion limit if none of the other applications can be ap-  
6       proved without such consent.”.

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