

117TH CONGRESS  
2D SESSION

# S. 5025

To amend the Federal Deposit Insurance Act and the Federal Credit Union Act to provide exceptions to the prohibition on participation by individuals convicted of certain offenses, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29, 2022

Mr. MANCHIN (for himself, Mr. TILLIS, Mr. VAN HOLLEN, and Mr. COONS) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To amend the Federal Deposit Insurance Act and the Federal Credit Union Act to provide exceptions to the prohibition on participation by individuals convicted of certain offenses, 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 “Fair Hiring in Bank-  
5 ing Act”.

1 **SEC. 2. PENALTIES FOR UNAUTHORIZED PARTICIPATION**  
2 **BY CONVICTED INDIVIDUAL.**

3 (a) INSURED DEPOSITORY INSTITUTIONS.—Section  
4 19(a) of the Federal Deposit Insurance Act (12 U.S.C.  
5 1829(a)) is amended by adding at the end the following:

6 “(3) PRIOR WRITTEN CONSENT NOT RE-  
7 QUIRED.—

8 “(A) IN GENERAL.—Except as provided in  
9 subparagraph (B), the prior written consent of  
10 the Corporation shall not be required under  
11 paragraph (1) for any person who has been con-  
12 victed of an offense referred to in paragraph  
13 (1)(A) or has agreed to enter into a pretrial di-  
14 version or similar program with a prosecution  
15 for such an offense—

16 “(i) after the 7-year period beginning  
17 on the date that the sentencing or program  
18 requirements in connection with the convic-  
19 tion or pretrial diversion or similar pro-  
20 gram have been completed;

21 “(ii) after the 30-month period begin-  
22 ning on the date that the sentencing or  
23 program requirements in connection with  
24 the conviction or pretrial diversion or simi-  
25 lar program have been completed if the

1 person who committed the offense was  
2 under 21 years of age; or

3 “(iii) if the conviction or agreement  
4 for such offense has been pardoned, sealed,  
5 or expunged even if any record of the con-  
6 viction or program entry remain accessible  
7 by courts, law enforcement, or in connec-  
8 tion with the employment or application  
9 for employment of the person in a position  
10 where a criminal background check is re-  
11 quired by law.

12 “(B) EXCEPTIONS.—Subparagraph (A)  
13 shall not apply to—

14 “(i) any offense described in para-  
15 graph (2)(A);

16 “(ii) any person who intends to ac-  
17 quire control of any insured depository in-  
18 stitution; or

19 “(iii) any person who seeks to become  
20 a director or executive officer of any in-  
21 sured depository institution.

22 “(C) DEFINITIONS.—In this paragraph—

23 “(i) the term ‘control’ has the mean-  
24 ing given the term in section 7(j)(8); and

1           “(ii) the term ‘executive officer’ has  
2           the meaning given the term in section  
3           22(h) of the Federal Reserve Act (12  
4           U.S.C. 375b(h)).”.

5           (b) INSURED CREDIT UNIONS.—Section 205(d) of  
6 the Federal Credit Union Act (12 U.S.C. 1785(d)) is  
7 amended by adding at the end the following:

8           “(4) PRIOR WRITTEN CONSENT NOT RE-  
9           QUIRED.—

10           “(A) IN GENERAL.—Except as provided in  
11           subparagraph (B), the prior written consent of  
12           the Board shall not be required under para-  
13           graph (1) for any person who has been con-  
14           victed of an offense referred to in paragraph  
15           (1)(A) or has agreed to enter into a pretrial di-  
16           version or similar program with a prosecution  
17           for such an offense—

18           “(i) after the 7-year period beginning  
19           on the date that the sentencing or program  
20           requirements in connection with the convic-  
21           tion or pretrial diversion or similar pro-  
22           gram have been completed;

23           “(ii) after the 30-month period begin-  
24           ning on the date that the sentencing or  
25           program requirements in connection with

1 the conviction or pretrial diversion or simi-  
2 lar program have been completed if the  
3 person who committed the offense was  
4 under 21 years of age; or

5 “(iii) if the conviction or agreement  
6 for such offense has been pardoned, sealed,  
7 or expunged even if any record of the con-  
8 viction or program entry remain accessible  
9 by courts, law enforcement, or in connec-  
10 tion with the employment or application  
11 for employment of the person in a position  
12 where a criminal background check is re-  
13 quired by law.

14 “(B) EXCEPTIONS.—Subparagraph (A)  
15 shall not apply to—

16 “(i) any offense described in para-  
17 graph (2)(A); or

18 “(ii) any person who seeks to become  
19 a director or senior executive officer, as de-  
20 fined under section 212(f).”.

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