

H. Con. Res. 203: Mr. GEJDENSON.
 H. Con. Res. 210: Mr. PETERSON of Minnesota.
 H. Con. Res. 212: Mr. COMBEST, Mr. BARR of Georgia, Mr. CALVERT, Mr. EDWARDS, and Mr. WICKER.
 H. Con. Res. 248: Mr. GREEN.
 H. Res. 247: Mr. ADAM SMITH of Washington.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 981: Mr. BALLENGER.
 H.R. 2021: Mr. NETHERCUTT.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 10
 OFFERED BY: MR. DREIER

(Amendment in the Nature of a Substitute)

AMENDMENT No. 2: Strike everything after the enacting clause and insert the following new text:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Financial Services Competitive Enhancement Act".

TITLE I—FINANCIAL SERVICES COMPETITIVE ENHANCEMENT

SEC. 101. ANTI-AFFILIATION PROVISIONS OF "GLASS-STEAGALL ACT" REPEALED.

(a) SECTION 20 REPEALED.—Section 20 of the Banking Act of 1933 (12 U.S.C. 377) is repealed.

(b) SECTION 32 REPEALED.—Section 32 of the Banking Act of 1933 (12 U.S.C. 78) is repealed.

SEC. 102. FINANCIAL ACTIVITIES.

Section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(8)) is amended to read as follows:

"(8) shares of any company the activities of which the Board, in accordance with subsection (l), has determined (by regulation or order) to be financial in nature or incidental to such financial activities and—

"(A) effective 90 days after the date of the enactment of the Financial Services Competitive Equality Act, it shall be financial in nature to provide insurance as principal, agent, or broker in any State, in full compliance with the laws and regulations of such State that uniformly apply to each type of insurance license or authorization in such State, except that in no event shall the company, the bank holding company, or any affiliate of the company or bank holding company be subject to any State law or regulation that restricts a bank from having an affiliate, agent, or employee in such State licensed to provide insurance as principal, agent, or broker; and

"(B) the Board shall prescribe regulations concerning insurance affiliations that provide equivalent treatment for all stock and mutual insurance companies that control or are otherwise affiliated with a bank and fully accommodate and are consistent with State law;"

SEC. 103. INSURANCE COMPANY INVESTMENTS.

Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end the following new subsection:

"(k) INSURANCE COMPANY INVESTMENTS.—Notwithstanding subsection (a), a bank holding company may directly or indirectly acquire or control, whether as principal, on be-

half of 1 or more entities (including any subsidiary of the holding company which is not a depository institution or subsidiary of a depository institution) or otherwise, shares, assets, or ownership interests (including without limitation debt or equity securities, partnership interests, trust certificates or other instruments representing ownership) of a company or other entity, whether or not constituting control of such company or entity, engaged in any activity not authorized pursuant to this section if—

"(1) the shares, assets, or ownership interests are not acquired or held by a depository institution or a subsidiary of a depository institution;

"(2) such shares, assets, or ownership interests are acquired and held by an insurance company that is predominantly engaged in underwriting life, accident and health, or property and casualty insurance (other than credit-related insurance);

"(3) such shares, assets, or ownership interests represent an investment made in the ordinary course of business of such insurance company in accordance with relevant State law governing such investments; and

"(4) during the period such shares, assets, or ownership interests are held, the bank holding company does not directly or indirectly participate in the day-to-day management or operation of the company or entity except insofar as necessary to achieve the objectives of paragraph (3)."

SEC. 104. FINANCIAL IN NATURE.

Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by inserting after subsection (k) (as added by section 4 of this Act) the following new subsection:

"(l) ENGAGING IN ACTIVITIES FINANCIAL IN NATURE.—

"(1) IN GENERAL.—Notwithstanding section 4(a), a bank holding company may engage in any activity which the Board has determined (by regulation or order) to be financial in nature or incidental to such financial activities.

"(2) FACTORS TO BE CONSIDERED.—In determining whether an activity is financial in nature or incidental to financial activities, the Board shall take into account—

"(A) the purposes of this Act and the Financial Services Competitive Enhancement Act;

"(B) changes or reasonably expected changes in the marketplace in which bank holding companies compete;

"(C) changes or reasonably expected changes in the technology for delivering financial services; and

"(D) whether such activity is necessary or appropriate to allow a bank holding company and the affiliates of a bank holding company to—

"(i) compete effectively with any company seeking to provide financial services in the United States;

"(ii) use any available or emerging technological means, including any application necessary to protect the security or efficacy of systems for the transmission of data or financial transactions, in providing financial services; and

"(iii) offer customers any available or emerging technological means for using financial services.

"(3) ACTIVITIES THAT ARE FINANCIAL IN NATURE.—The following activities shall be considered to be financial in nature:

"(A) Lending, exchanging, transferring, investing for others, or safeguarding money or securities.

"(B) Insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death, or providing and issuing annuities, and acting as principal, agent, or broker for purposes of the foregoing.

"(C) Providing financial, investment, or economic advisory services, including advising an investment company (as defined in section 3 of the Investment Company Act of 1940).

"(D) Issuing or selling instruments representing interests in pools of assets permissible for a bank to hold directly.

"(E) Underwriting, dealing in, or making a market in securities.

"(F) Engaging in any activity that the Board has determined, by order or regulation that is in effect on the date of enactment of the Financial Services Competitive Enhancement Act, to be so closely related to banking or managing or controlling banks as to be a proper incident thereto (subject to the same terms and conditions contained in such order or regulation, unless modified by the Board).

"(G) Engaging, in the United States, in any activity that—

"(i) a bank holding company may engage in outside the United States; and

"(ii) the Board has determined, under regulations issued pursuant to section 4(c)(13) of this Act (as in effect on the day before the date of enactment of the Financial Services Competitive Enhancement Act) to be usual in connection with the transaction of banking or other financial operations abroad.

"(H) Directly or indirectly acquiring or controlling, whether as principal, on behalf of 1 or more entities (including entities, other than a depository institution or subsidiary of a depository institution, that the bank holding company controls) or otherwise, shares, assets, or ownership interests (including without limitation debt or equity securities, partnership interests, trust certificates or other instruments representing ownership) of a company or other entity, whether or not constituting control of such company or entity, engaged in any activity not authorized pursuant to this section if—

"(i) the shares, assets, or ownership interests are not acquired or held by a depository institution or subsidiary of a depository institution;

"(ii) such shares, assets, or ownership interests are acquired and held by a securities affiliate or an affiliate thereof as part of a bona fide underwriting or merchant banking activity, including investment activities engaged in for the purpose of appreciation and ultimate resale or disposition of the investment;

"(iii) such shares, assets, or ownership interests, are held for such a period of time as will permit the sale or disposition thereof on a reasonable basis consistent with the nature of the activities described in clause (ii); and

"(iv) during the period such shares, assets, or ownership interests are held, the bank holding company does not actively participate in the day to day management or operation of such company or entity, except insofar as necessary to achieve the objectives of clause (ii).

"(4) ACTIONS REQUIRED.—The Board shall, by regulation or order, define, consistent with the purposes of this Act, the following activities as, and the extent to which such activities are, financial in nature or incidental to activities which are financial in nature:

"(A) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities.

"(B) Providing any device or other instrumentality for transferring money or other financial assets;

"(C) Arranging, effecting, or facilitating financial transactions for the account of third parties.

"(5) POST CONSUMMATION NOTIFICATION.—