

108TH CONGRESS
2D SESSION

H. R. 5031

To amend the Bank Holding Company Act of 1956 to clarify the application of the credit card bank exception to certain limited purpose credit card banks serving community banks, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 8, 2004

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

A BILL

To amend the Bank Holding Company Act of 1956 to clarify the application of the credit card bank exception to certain limited purpose credit card banks serving community banks, 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 “Community Credit
5 Card Bank Act of 2004”.

6 **SEC. 2. COMMUNITY CREDIT CARD BANK EXCEPTION.**

7 Section 2(c)(2)(F)(v) of the Bank Holding Company
8 Act of 1956 (12 U.S.C. 1841(c)(2)(F)(v)) is amended by

1 inserting, before the period at the end, the following: “ex-
2 cept that, in the case of an institution—

3 “(I) which has total assets of less
4 than \$1,000,000,000;

5 “(II) which was chartered before
6 June 1, 1998;

7 “(III) at least 80 percent of the
8 credit card receivables of which have
9 either been acquired in portfolio pur-
10 chases from unaffiliated insured de-
11 pository institutions, or issued
12 through unaffiliated insured deposi-
13 tory institutions as agents of such in-
14 stitutions; and

15 “(IV) which issues or services
16 commercial credit card loans that con-
17 stitute, in the aggregate, not more
18 than 10 percent of the credit card re-
19 ceivables of the institution,

20 the institution shall not be treated as en-
21 gaging in the business of making commer-
22 cial loans, for purposes of this subpara-
23 graph, solely on the basis of issuing or

1 servicing such commercial credit card ac-
2 counts.”.

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