

AMENDMENT TO H.R. 3505
OFFERED BY MR. LEACH OF IOWA

Page 82, after line 20, insert the following new section (and conform the table of contents accordingly):

1 SEC. 506. INDUSTRIAL LOAN CORPORATIONS.

2 Section 4 of the Bank Holding Company Act of 1956
3 (12 U.S.C. 1843) is amended by adding at the end the
4 following new subsection:

5 “(p) PRESERVATION OF COMPETITIVE EQUITY IN FI-
6 NANCIAL SERVICES.—

7 “(1) IN GENERAL.—Any company that controls
8 an industrial loan company, industrial bank or simi-
9 lar institution described in section 2(c)(2)(H) shall
10 become a financial holding company and shall com-
11 ply with all of the conditions, requirements, restric-
12 tions and limitations that apply to a financial hold-
13 ing company under Federal law.

14 “(2) EXTENDED DIVESTITURE PERIOD FOR
15 NONCONFORMING ACTIVITIES.—Notwithstanding
16 paragraph (1) of this subsection or subsection (a), a
17 company that owned or controlled an industrial loan
18 company, industrial bank or similar institution de-
19 scribed in section 2(c)(2)(H) on January 1, 2005,



1 and that was not a bank holding company or a for-
2 eign bank (as defined in section 1(b)(7) of the Inter-
3 national Banking Act of 1978) on that date shall
4 conform its activities and investments to the require-
5 ments of this Act no later than the date that is 5
6 years after the effective date of this subsection.”.

