

California (Ms. WATERS) and the gentleman from Arkansas (Mr. HILL) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on this legislation and include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATERS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I thank Representative TORRES for introducing H.R. 6528, the Housing Temperature Safety Act of 2022, in response to the tragic apartment fire that occurred in his district in the Bronx. Seventeen people died in that fire, including eight children, while dozens more were injured. Sadly, this tragedy was entirely preventable and even foreseeable.

The Twin Parks North West apartment building was home to 120 families, including 91 families who were assisted through the housing choice voucher program. Because of heating and ventilation issues in the building, too often families found themselves shivering in their apartments, forcing them to take matters into their own hands by purchasing space heaters, which were deemed to be the cause of this tragic fire.

To address this issue, and to better hold housing providers accountable to ensuring their apartments are meeting temperature requirements, H.R. 6528 would create a pilot program to install and study the efficacy of temperature sensors in federally assisted housing.

□ 2110

As the tragedy in the Bronx proved, inadequate heating and cooling in federally assisted units is a danger to our communities. This bill provides a key step towards researching and improving tools to better ensure families' homes are both safe and warm.

I thank Representative TORRES for his leadership on this issue.

Madam Speaker, I urge my colleagues to support H.R. 6528, and I reserve the balance of my time.

Mr. HILL. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, on the morning of January 9, a fire broke out in the Twin Parks North West apartment building in the Bronx, New York. Seventeen lives were tragically lost that day, including eight children. Investigators later determined that the fire was caused by a defective space heater left on to warm an apartment that was too cold on that terrible January winter night.

H.R. 6528, ably written by my good friend from the Bronx, New York (Mr. TORRES), would create a pilot program

at the Department of Housing and Urban Development for building owners to voluntarily install temperature sensors in federally assisted buildings. The hope is that temperature sensors authorized by this pilot program will help monitor the conditions inside housing units to ensure that conditions are not too hot in the summer or too cold in the winter.

Property owners who contract with HUD have a responsibility to maintain decent, safe, and sanitary housing, and this legislation might help to ensure that these homes have adequate heat during the winter so residents will not have to rely on space heaters to keep warm.

Representative TORRES' idea will try to protect the welfare of renters in federally assisted housing and is a pilot program worth taking a look at to see if this can make a real difference.

Madam Speaker, I urge my colleagues to support this legislation, and I reserve the balance of my time.

Ms. WATERS. Madam Speaker, I yield 3 minutes to the gentleman from New York (Mr. TORRES).

Mr. TORRES of New York. Madam Speaker, I am enormously grateful to Chair WATERS for her advocacy for safe, decent, and affordable housing and her support. I thank the Representative from Arkansas for his kind words.

The Housing Temperature Safety Act, H.R. 6528, comes more than 6 months following the tragedy of Twin Parks North West which was the scene of the deadliest fire in New York City history in more than three decades. Even though the immediate cause of the fire was a malfunctioning space heater, the deeper cause of the fire cannot be overlooked.

We must ask ourselves a simple but fundamental question: What prompted tenants to use hazardous space heaters in the first place?

The answer, of course, is the chronic deprivation of heat and hot water which is all too common in places like the South Bronx. Tenants freezing in their apartments are left with no choice but to resort to space heaters out of desperation for heat. A space heater is often a cry for help and a cry for heat.

The catastrophic fire at Twin Parks North West was a consequence not only of a broken space heater but also of an equally broken system of housing code enforcement.

The Housing Temperature Safety Act would pilot the use of heat sensors which would enable State and local housing administrators to monitor heat and hot water levels in real time in order to hold property owners accountable for providing sufficient heat and hot water.

When I served on the New York City Council, I passed a local law establishing the New York City Heat Sensors Program which led to a 58 percent decline in heat and hot water complaints among buildings where the sensors were installed.

The Housing Temperature Safety Act of 2022 presents us with a historic opportunity to harness the power of technology to bring housing code enforcement into the 21st century which is long overdue.

Madam Speaker, I strongly encourage my colleagues to vote for H.R. 6528 and embrace the future of housing enforcement in America.

Mr. HILL. Madam Speaker, I want to commend my friend from New York (Mr. TORRES) who has brought his exceptional service to the people of the Bronx to the people's House. He does what all Members do here which is take a great idea at a time of tragedy when he learned a better way to do something and bring that to the House, use it as an example from which all Americans can benefit.

So, again, Madam Speaker, I encourage my colleagues to support H.R. 6528, and I yield back the balance of my time.

Ms. WATERS. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, H.R. 6528 is an important step forward in holding housing providers accountable to better protect the health and safety of families receiving Federal housing assistance.

What happened in the Bronx is a tragedy that was wholly preventable. While more must be done to prevent similar tragedies, I am glad that we are providing new solutions to improve fire safety in Federal housing.

I thank Representative TORRES for this bill.

Madam Speaker, I, again, urge my colleagues to join me in supporting H.R. 6528, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 6528, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROMOTING NEW AND DIVERSE DEPOSITORY INSTITUTIONS ACT

Ms. WATERS. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4590) to require the Federal banking regulators to jointly conduct a study and develop a strategic plan to address challenges faced by proposed depository institutions seeking de novo depository institution charters; and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4590

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Promoting New and Diverse Depository Institutions Act".

SEC. 2. STUDY AND STRATEGIC PLAN.

(a) IN GENERAL.—The Federal banking regulators shall jointly—

(1) conduct a study about the challenges faced by proposed depository institutions, including proposed minority depository institutions, seeking de novo depository institution charters; and

(2) submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate and publish publicly, not later than 18 months after the date of the enactment of this section—

(A) an analysis based on the study conducted pursuant to paragraph (1);

(B) any findings from the study conducted pursuant to paragraph (1); and

(C) any legislative recommendations that the Federal banking regulators developed based on the study conducted pursuant to paragraph (1).

(b) STRATEGIC PLAN.—

(1) IN GENERAL.—Not later than 18 months after the date of the enactment of this section, the Federal banking regulators shall jointly submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate and publish publicly a strategic plan based on the study conducted pursuant to subsection (a) and designed to help proposed depository institutions (including proposed minority depository institutions) successfully apply for de novo depository institution charters in a manner that promotes increased availability of banking and financial services, safety and soundness, consumer protection, community reinvestment, financial stability, and a level playing field.

(2) CONTENTS OF STRATEGIC PLAN.—The strategic plan described in paragraph (1) shall—

(A) promote the chartering of de novo depository institutions, including—

(i) proposed minority depository institutions; and

(ii) proposed depository institutions that could be certified as community development financial institutions; and

(B) describe actions the Federal banking regulators may take that would increase the number of depository institutions located in geographic areas where consumers lack access to a branch of a depository institution.

(c) PUBLIC INVOLVEMENT.—When conducting the study and developing the strategic plan required by this Act, the Federal banking regulators shall invite comments and other feedback from the public to inform the study and strategic plan.

(d) DEFINITIONS.—In this Act:

(1) DEPOSITORY INSTITUTION.—The term “depository institution” has the meaning given in section 3 of the Federal Deposit Insurance Act, and includes a “Federal credit union” and a “State credit union” as such terms are defined, respectively, under section 101 of the Federal Credit Union Act.

(2) COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term “community development financial institution” has the meaning given in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994.

(3) FEDERAL BANKING REGULATORS.—The term “Federal banking regulators” means the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Director of the Bureau of Consumer Financial Protection.

(4) MINORITY DEPOSITORY INSTITUTION.—The term “minority depository institution” has the meaning given in section 308(b) of the Fi-

ancial Institutions Reform, Recovery, and Enforcement Act of 1989.

(e) REDUCTION.—

(1) IN GENERAL.—Subparagraph (A) of section 7(a)(3) of the Federal Reserve Act (12 U.S.C. 289(a)(3)(A)) is amended by reducing the dollar figure described in such subparagraph by \$5,000,000.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on September 30, 2022.

SEC. 3. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentleman from Arkansas (Mr. HILL) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATERS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I support H.R. 4590, the Promoting New and Diverse Depository Institutions Act, sponsored by Representative JAKE AUCHINCLOSS, the vice chair of the Financial Services Committee.

Since the 1980s, we have seen steady consolidation in the number of U.S. depository institutions from having roughly 33,000 banks and credit unions in 1980 to less than 10,000 today. Over the last decade, we have also seen a reduction of 3,300 branches by the four largest banks leaving behind banking deserts where residents lack access to a nearby branch for basic banking services.

I have also been troubled by the recent decline of roughly one-third of all minority depository institutions, also known as MDIs, and more than half of Black-owned banks since the 2008 financial crisis.

In December 2020, I was pleased to work with Ranking Member McHENRY and Senators BROWN, CRAPO, and WARNER to reach a bipartisan deal to provide \$12 billion in capital investments and grants to shore up and strengthen existing MDIs as well as community development financial institutions, better known as CDFIs.

But I am still concerned that very few depository institutions, especially MDIs, have been newly chartered in recent years while banking deserts con-

tinue to grow. This bill would help address this concern by requiring regulators to study this problem, request feedback from the public, and develop a strategic plan so they can take steps to encourage the creation of new banks and credit unions, including MDIs and CDFIs.

H.R. 4590 also requires regulators to share with Congress any legislative recommendations to further promote the creation of new depository institutions, again, including MDIs and CDFIs.

So I thank Vice Chair AUCHINCLOSS for his work on this bill which received bipartisan support in our committee.

Madam Speaker, I urge my colleagues to support H.R. 4590, and I reserve the balance of my time.

□ 2120

Mr. HILL. Madam Speaker, I yield myself such time as I may consume.

Since the Dodd-Frank Act was enacted, the number of community financial institutions has steadily declined. Republicans know this trend is due to increased regulatory and compliance burdens banks and credit unions face that inhibit their ability to survive, let alone, thrive. Republicans have consistently pushed for regulatory rightsizing including tailoring regulation, not imposing one-size-fits-all requirements.

H.R. 4950 directs the banking agencies to study ways to promote the establishment of new banks and credit unions, including community development financial institutions, CDFIs, and minority financial institutions.

This bill requires the banking agencies to report to this body, the Congress, on challenges faced by proposed depository institutions and to develop a strategic plan to promote establishment of new financial institutions.

The banking agencies will provide the Congress with recommendations on how best to propose financial institutions and help them navigate that regulatory process.

H.R. 4950 is a first step toward identifying and addressing the challenges posed to the chartering of new banks and credit unions.

The fact is, Madam Speaker, encouraging the establishment of de novo financial institutions will help fill the needs left by bank consolidations and bank closures over the past decade. This will increase banking options and competition to better serve families, small businesses, and our local communities. The loss of local banks and credit unions has disproportionately affected rural communities.

Republicans support efforts to better understand the challenges that prospective de novo depository institutions face and identifying the solutions to promote a greater number of new charters.

I urge my colleagues to support this bill, and I reserve the balance of my time.

Ms. WATERS. Madam Speaker, I yield 2 minutes to the gentleman from

Massachusetts (Mr. AUCHINCLOSS), who is also the vice chair of the Financial Services Committee.

Mr. AUCHINCLOSS. Madam Speaker, I will begin by thanking the Chairwoman of the Financial Services Committee for her support of this legislation and for her career-long support for financial access and inclusion; and, also, my colleague from Arkansas' support to make this a bipartisan initiative.

Madam Speaker, our economy has not always worked for all communities equally. This is evident in the glaring wealth disparities for American families emphasized in the 2019 survey of Consumer Finances Federal Reserve Report.

One way to address these issues is to ensure access to diverse and affordable financial services that can help individuals save money and help small businesses raise capital. That is why I urge my colleagues to vote for my bill, the Promoting New and Diverse Depository Institutions Act.

Over the last several decades, there has been consolidation among banks and credit unions. This has effectively limited the products available to consumers and artificially driven up costs while closing banking branches for people who already did not have many choices.

My bipartisan bill is the first step to increasing the supply of banking services by directing banking regulators to work together to address the challenges that new depository institutions, including MDIs and CDFIs, face when applying for a charter.

Starting and maintaining a new bank or credit union is hard work. It is the banking regulators' responsibility to measure and mitigate the challenges that new banks face.

MDIs and CDFIs play a unique and vital role in our financial system and often have a close relationship with their consumers. By investing in and supporting MDIs and CDFIs, Congress can foster economic opportunities for people who otherwise are unable to access affordable banking services in a system that is already restricted and restrictive.

My bill will help new banks, and in so doing, it will expand access to affordable services for unbanked communities. I believe this bill is a necessary step toward advancing economic equality in our country, and I ask your help to ensure that all Americans have access to affordable banking services regardless of their address.

Mr. HILL. Madam Speaker, let me thank my friend from Massachusetts for his passion on this. I spent the better part of half of my career in community banking, and I know the consolidation, how it has impacted, particularly, rural counties that no longer have a banking office.

And I also know how the regulatory burden has raised the immense costs of trying to form a new de novo banking corporation. It is just putting it out of

reach of many, many groups of civic leaders, entrepreneurs, local people and, certainly, those trying to form a minority depository institution, or a CDFI.

So I commend my friend from Massachusetts for his work on this bill. It does have bipartisan support. I urge my colleagues to support it.

In conclusion, Madam Speaker, I include in the RECORD a letter to the Speaker and the minority leader, in addition to the chair and ranking member of the House Financial Services Committee from the Independent Community Bankers of America expressing their full support of H.R. 4590.

INDEPENDENT COMMUNITY

BANKERS OF AMERICA,

July 26, 2022.

Re Support for the Promoting New and Diverse Depository Institutions Act (H.R. 4590).

Hon. NANCY PELOSI,
Speaker, House of Representatives,
Washington, DC.

Hon. MAXINE WATERS,
Chairwoman, Committee on Financial Services,
House of Representatives,
Washington, DC.

Hon. KEVIN MCCARTHY,
Minority Leader,
House of Representatives,
Washington, DC.

Hon. PATRICK MCHENRY,
Ranking Republican, Committee on Financial Services,
House of Representatives,
Washington, DC.

DEAR SPEAKER PELOSI, MINORITY LEADER MCCARTHY, CHAIRWOMAN WATERS, AND RANKING MEMBER MCHENRY:

On behalf of community banks across the country, with nearly 50,000 locations, I write to thank you for scheduling floor consideration of the Promoting New and Diverse Depository Institutions Act (H.R. 4590), sponsored by Rep. Jake Auchincloss, and to express our support for this legislation. ICBA urges all Members of the House to vote YES on H.R. 4590.

The Promoting New and Diverse Depository Institutions Act requires the Federal banking regulators to conduct a joint study to assess the challenges faced by proposed depository institutions, including proposed minority depository institutions (MDIs), seeking de novo depository institution charters and to provide legislative recommendations to help these proposed institutions successfully obtain charters. There has been a dearth of de novo charters in the past decade. An infusion of new charters is needed to offset consolidation in the banking sector and create a competitive landscape that will benefit consumers and small businesses alike. Notably, new community bank charters, including new MDI charters, are needed to provide access to capital and banking services that play a pivotal role in reaching unbanked populations and underserved communities across the nation.

Concrete, actionable proposals are needed to turn the tide of stagnant de novo bank formation. ICBA supports an array of measures, such as phasing in capital standards for de novo banks over a period of three years and allowing for greater flexibility to modify the de novo business plan as conditions warrant. Start-up capital is often the greatest impediment to forming a new bank, and these provisions, among others, would help spur the creation of de novo charters, including MDIs.

Thank you for your consideration. ICBA looks forward to working with you to advance H.R. 4590 into law.

Sincerely,

REBECA ROMERO RAINEY,
President & CEO.

Mr. HILL. Madam Speaker, I yield back the balance of my time.

Ms. WATERS. Madam Speaker, I yield myself the balance of my time.

H.R. 4590 is supported by a wide range of stakeholders, including California & Nevada Credit Union Leagues, Community Development Bankers Association, Inclusiv, Independent Community Bankers Association, and many others.

I urge my colleagues to support this bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 4590, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

DEVELOPING AND EMPOWERING OUR ASPIRING LEADERS ACT OF 2022

Ms. WATERS. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4227) to require the Securities and Exchange Commission to revise the definition of a qualifying investment, for purposes of the exemption from registration for venture capital fund advisers under the Investment Advisers Act of 1940, to include an equity security issued by a qualifying portfolio company and to include an investment in another venture capital fund, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4227

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Developing and Empowering our Aspiring Leaders Act of 2022".

SEC. 2. DEFINITIONS.

Not later than the end of the 180-day period beginning on the date of the enactment of this Act, if the Securities and Exchange Commission determines the revisions would facilitate capital formation without compromising investor protection, the Commission shall—

(1) revise the definition of a qualifying investment under paragraph (c) of section 275.203(1)-1 of title 17, Code of Federal Regulations, to include an equity security issued by a qualifying portfolio company, whether acquired directly from the company or in a secondary acquisition; and

(2) revise paragraph (a) of such section to require, as a condition of a private fund qualifying as a venture capital fund under such paragraph, that the qualifying investments of the private fund are predominantly qualifying investments that were acquired directly from a qualifying portfolio company.