

116TH CONGRESS
1ST SESSION

S. _____

To require the Federal financial regulators to issue guidance encouraging financial institutions to work with consumers and businesses affected by a Federal Government shutdown, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. VAN HOLLEN introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To require the Federal financial regulators to issue guidance encouraging financial institutions to work with consumers and businesses affected by a Federal Government shutdown, 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 “Shutdown Guidance
5 for Financial Institutions Act”.

6 **SEC. 2. SHUTDOWN GUIDANCE FOR FINANCIAL INSTITU-**
7 **TIONS.**

8 (a) DEFINITIONS.—In this section:

1 (1) CONSUMER AFFECTED BY A SHUTDOWN.—

2 The term “consumer affected by a shutdown” means
3 an individual who is an employee of—

4 (A) the Federal Government, and who is
5 furloughed or excepted from a furlough during
6 a shutdown;

7 (B) the District of Columbia, and who is
8 not receiving pay because of a shutdown; or

9 (C) a Federal contractor or other business,
10 and who has experienced a substantial reduc-
11 tion in pay due to the shutdown.

12 (2) CONSUMERS AND BUSINESSES AFFECTED
13 BY A SHUTDOWN.—The term “consumers and busi-
14 nesses affected by a shutdown” means—

15 (A) a consumer affected by a shutdown;
16 and

17 (B) a Federal contractor (as defined under
18 section 7101 of title 41, United States Code) or
19 other business that has experienced a substan-
20 tial reduction in income due to the shutdown.

21 (3) FEDERAL CONTRACTOR.—The term “Fed-
22 eral contractor” has the meaning given the term
23 “contractor” in section 7101 of title 41, United
24 States Code.

1 (4) FEDERAL FINANCIAL REGULATORS.—The
2 term “Federal financial regulators” means the
3 Board of Governors of the Federal Reserve System,
4 the Bureau of Consumer Financial Protection, the
5 Comptroller of the Currency, the Federal Deposit
6 Insurance Corporation, and the National Credit
7 Union Administration.

8 (5) SHUTDOWN.—The term “shutdown” means
9 any period in which there is more than a 24-hour
10 lapse in appropriations as a result of a failure to
11 enact a regular appropriations bill or continuing res-
12 olution.

13 (b) GUIDANCE.—Not later than the end of the 180-
14 day period beginning on the date of enactment of this Act,
15 the Federal financial regulators jointly, in consultation
16 with State banking regulators and other appropriate Fed-
17 eral and State agencies, shall issue shutdown guidance to
18 the financial institutions they regulate encouraging the fi-
19 nancial institutions to—

20 (1) work with consumers and businesses af-
21 fected by a shutdown;

22 (2) recognize that consumers and businesses af-
23 fected by a shutdown may lose access to credit and
24 face temporary hardship in making payments on

1 debts such as mortgages, student loans, car loans,
2 business loans, or credit cards;

3 (3) consider prudent efforts to modify terms on
4 existing loans or extend new credit to help con-
5 sumers and businesses affected by a shutdown, con-
6 sistent with safe-and-sound lending practices; and

7 (4) take steps to prevent adverse information
8 being reported in a manner that harms consumers
9 affected by a shutdown, including by preventing
10 modified credit arrangements intended to help con-
11 sumers fulfill their financial obligations from being
12 reported to, and coded by, consumer reporting agen-
13 cies on a consumer report in a manner that hurts
14 the creditworthiness of the consumer.

15 (c) NOTICE OF GUIDANCE DURING A SHUTDOWN.—

16 Not later than the end of the 24-hour period beginning
17 at the start of a shutdown, the Federal financial regu-
18 lators jointly shall issue a press release to alert financial
19 institutions, consumers, and businesses to the existence
20 and content of the guidance issued under to subsection
21 (b).

22 (d) POST-SHUTDOWN REPORT TO CONGRESS AND
23 UPDATED GUIDANCE.—

24 (1) IN GENERAL.—Not later than the end of
25 the 90-day period beginning on the date on which a

1 shutdown ends, the Federal financial regulators
2 jointly shall submit to Congress a report that con-
3 tains an analysis of the effectiveness of the guidance
4 issued pursuant to subsection (b).

5 (2) UPDATED GUIDANCE.—Not later than the
6 end of the 180-day period beginning on the date on
7 which a report is issued under paragraph (1), the
8 Federal financial regulators shall update the guid-
9 ance required under subsection (b) if any short-
10 comings are identified in the report.