

April 26, 2024

FDIC Board Discusses Two Proposals Relating to Change-in-Bank-Control Review

The Two Proposals, Offered by Directors McKernan and Chopra, Would Have Expanded the FDIC's Role Under the Change in Bank Control Act

Yesterday, the Board of Directors of the Federal Deposit Insurance Corporation (“FDIC”) held an [open meeting](#) to consider two proposals related to the Change in Bank Control Act of 1978 (the “CIBCA”). The first, a draft [resolution](#) offered by Director Jonathan McKernan, would direct FDIC staff to submit for the FDIC Board’s approval a plan to monitor certain large asset managers’ compliance with passivity commitments under the CIBCA and to institute an annual assessment of whether such asset managers control FDIC-supervised institutions under applicable banking law. The second, which took the form of a [proposed rulemaking](#) offered by Director Rohit Chopra, would require a CIBCA notice to the FDIC of an acquisition of voting securities of a depository institution holding company for which the Board of Governors of the Federal Reserve System reviews a notice. After discussion of both proposals indicated that neither had majority FDIC-Board support, Directors McKernan and Chopra each withdrew from consideration their respective proposals. Although the meeting ended without a vote on either proposal, Board members expressed interest in revisiting this issue after further consideration.