

**AMENDMENT TO H.R. 4173  
(FINANCIAL REGULATORY REFORM)**

**OFFERED BY MR. SHERMAN OF CALIFORNIA**

[Page and line nos. refer to text of introduced bill as posted on Rules Committee website]

Page 100, insert the following after line 15 and redesignate accordingly:

1 (c) **AUTHORITY TO FILE INVOLUNTARY PETITION FOR BANKRUPTCY.**—Section 303 of title  
2 11, United States Code, is amended by adding the following new subsection at the end—

3 “(m) Notwithstanding subsections (a) and (b), an involuntary case may be commenced by  
4 the Federal Deposit Insurance Corporation against a depository institution holding company as  
5 defined in section 3 of the Federal Deposit Insurance Act or other company participating in a  
6 guarantee program established by the Corporation on the ground that the company has defaulted  
7 on a debt or obligation guaranteed by the Corporation.”.

8 (d) **BANKRUPTCY PRIORITY FOR DEFAULTS ON DEBT GUARANTEED PURSUANT TO SECTION**  
9 **1109.**—Section 507(a)(9) of title 11, United States Code, is amended before the period by  
10 inserting the following—

11 “and allowed unsecured claims based upon any debt to the Federal Deposit Insurance  
12 Corporation that arose prior to the commencement of the case under this title, as a result of the  
13 debtor’s default on a guarantee provided by the Corporation pursuant to section 1109 of the  
14 Financial Stability Improvement Act of 2009 or the Federal Deposit Insurance Act, under a  
15 program established by the Corporation after the date of enactment of the Financial Stability  
16 Improvement Act”.