AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

119TH CONGRESS
2D SESSION

S. 3889

To restore and clarify the intent of the Federal interest rate exportation parity for State-chartered banks by allowing States to opt out of preemption only with respect to loans made by their own chartered institutions, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 12, 2026

Mr. MORENO introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

---

A BILL

To restore and clarify the intent of the Federal interest rate exportation parity for State-chartered banks by allowing States to opt out of preemption only with respect to loans made by their own chartered institutions, and for other purposes.

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 ''American Lending Fairness Act of 2026''.

SEC. 2. INTEREST RATE APPLICABLE TO OUT-OF-STATE CHARTERED FINANCIAL INSTITUTIONS.

(a) INSURED DEPOSITORY INSTITUTIONS.—Section 27 of the Federal Deposit Insurance Act (12 U.S.C. 1831d) is amended by adding at the end the following:

''(c) If a State adopts a law or certifies that the voters of the State have voted in favor of any provision, constitutional or otherwise, that states explicitly and by its terms that the State does not want this subsection to apply with respect to loans made by institutions chartered by that State, subsection (a) shall not apply to loans made by (or for which a commitment to make such loan was entered into by) such institutions after the date on which that law is adopted or such certification is made.''.

(b) INSURED CREDIT UNIONS.—Section 205(g) of the Federal Credit Union Act (12 U.S.C. 1785(g)) ''is amended'' by adding at the end the following:

''(3) If a State adopts a law or certifies that the voters of the State have voted in favor of any provision, constitutional or otherwise, that states explicitly and by its terms that the State does not want this subsection to apply with respect to loans made by institutions chartered by that State, paragraph (1) shall not apply to loans made by (or for which a commitment to make such loan was entered into by) such institutions after the date on which that law is adopted or such certification is made.''.

(c) REPEAL.—

(1) IN GENERAL.—Section 525 of the Depository Institutions Deregulation and Monetary Control Act of 1980 (12 U.S.C. 1730g note) is hereby repealed.

(2) APPLICATION.—The amendments made by subsections (a) and (b) shall apply with respect to, and govern the legal effect of, any State law adopted or certification made pursuant to section 525 of the Depository Institutions Deregulation and Monetary Control Act of 1980 (12 U.S.C. 1730g note) before the date of enactment of this Act.

○