

106TH CONGRESS
2^D SESSION

H. R. 4603

To require studies and reports on the feasibility and potential impact of increasing the maximum amount of deposit insurance under the Federal Deposit Insurance Act and the Federal Credit Union Act from \$100,000 to \$200,000 per depositor or such other amount as may be determined to be appropriate, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 2000

Mr. GONZALEZ introduced the following bill; which was referred to the
Committee on Banking and Financial Services

A BILL

To require studies and reports on the feasibility and potential impact of increasing the maximum amount of deposit insurance under the Federal Deposit Insurance Act and the Federal Credit Union Act from \$100,000 to \$200,000 per depositor or such other amount as may be determined to be appropriate, 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 “Deposit Insurance In-
5 crease Feasibility Act of 2000”.

1 **SEC. 2. FEASIBILITY OF INCREASE IN DEPOSIT INSURANCE**
2 **CAP UNDER THE FEDERAL DEPOSIT INSUR-**
3 **ANCE ACT.**

4 (a) **STUDY REQUIRED.**—The Federal banking agen-
5 cies shall jointly conduct a study of—

6 (1) the feasibility of increasing the maximum
7 limits on deposit insurance under the Federal De-
8 posit Insurance Act from \$100,000 to \$200,000 per
9 depositor or such other amount as the agencies may
10 determine to be appropriate;

11 (2) the potential benefits and risks which could
12 result from such an increase for consumers, for in-
13 sured depository institutions, for the Bank Insur-
14 ance Fund and the Savings Association Insurance
15 Fund, and for the Treasury of the United States
16 and taxpayers;

17 (3) the effect such an increase would have on
18 the Bank Insurance Fund reserve ratio and the Sav-
19 ings Association Insurance Fund reserve ratio (as
20 such terms are defined in section 7(l) of the Federal
21 Deposit Insurance Act); and

22 (4) the extent to which any change in the semi-
23 annual assessment system, or in the rate of assess-
24 ment, would be necessary or appropriate in connec-
25 tion with any such increase in deposit insurance cov-
26 erage.

1 (b) REPORT REQUIRED.—

2 (1) IN GENERAL.—Before the end of the 6-
3 month period beginning on the date of the enact-
4 ment of this Act, the Federal banking agencies shall
5 jointly submit a report to the Congress on the study
6 conducted pursuant to subsection (a).

7 (2) CONTENTS OF REPORT.—The report shall
8 contain—

9 (A) a detailed description of the findings
10 and conclusions resulting from the study; and

11 (B) such recommendations for legislative
12 and administrative actions as the Federal bank-
13 ing agencies may determine to be appropriate.

14 (3) SUPPLEMENTAL, CONCURRING AND DIS-
15 SENTING VIEWS.—If any Federal banking agency
16 does not fully concur in any finding or conclusion re-
17 sulting from the study under subsection (a) or any
18 recommendation contained in the report, the report
19 submitted under paragraph (1) shall reflect that fact
20 and the agency shall have the opportunity to include
21 concurring, supplemental, or dissenting views with
22 the report at the time of submission.

23 (c) DEFINITIONS.—For purposes of this section, the
24 terms “Federal banking agency” and “insured depository

1 institution” have the same meaning as in section 3 of the
2 Federal Deposit Insurance Act.

3 **SEC. 3. FEASIBILITY OF INCREASE IN DEPOSIT INSURANCE**

4 **CAP UNDER THE FEDERAL CREDIT UNION**
5 **ACT.**

6 (a) **STUDY REQUIRED.**—The National Credit Union
7 Administration Board shall conduct a study of—

8 (1) the feasibility of increasing the maximum
9 limits on deposit insurance under the Federal Credit
10 Union Act from \$100,000 to \$200,000 per depositor
11 or such other amount as the Board may determine
12 to be appropriate;

13 (2) the potential benefits and risks which could
14 result from such an increase for consumers, for in-
15 sured credit unions, for the National Credit Union
16 Share Insurance Fund and the Central Liquidity
17 Facility, and for the Treasury of the United States
18 and taxpayers;

19 (3) the effect such an increase would have on
20 the equity ratio (as defined in section 202(h)(2) of
21 the Federal Credit Union Act) of the National Cred-
22 it Union Share Insurance Fund; and

23 (4) the extent to which any change in the an-
24 nual assessment system, or in the rate of assess-
25 ment, would be necessary or appropriate in connec-

1 tion with any such increase in deposit insurance cov-
2 erage.

3 (b) REPORT REQUIRED.—

4 (1) IN GENERAL.—Before the end of the 6-
5 month period beginning on the date of the enact-
6 ment of this Act, the National Credit Union Admin-
7 istration Board shall submit a report to the Con-
8 gress on the study conducted pursuant to subsection
9 (a).

10 (2) CONTENTS OF REPORT.—The report shall
11 contain—

12 (A) a detailed description of the findings
13 and conclusions resulting from the study; and

14 (B) such recommendations for legislative
15 and administrative actions as the National
16 Credit Union Administration Board may deter-
17 mine to be appropriate.

18 (c) INSURED CREDIT UNION.—For purposes of this
19 section, the term “insured credit union” has the same
20 meaning as in section 101(7) of the Federal Credit Union
21 Act.

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