

HR 1009

Business Checking Freedom Act of 2002

Congress: 107 (2001–2003, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Mar 13, 2001

Current Status: Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 344.

Latest Action: Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 344. (Apr 15, 2002)

Official Text: <https://www.congress.gov/bill/107th-congress/house-bill/1009>

Sponsor

Name: Rep. Toomey, Patrick J. [R-PA-15]

Party: Republican • State: PA • Chamber: Senate

Cosponsors (11 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Capito, Shelley Moore [R-WV-2]	R · WV		Mar 13, 2001
Rep. Gonzalez, Charles A. [D-TX-20]	D · TX		Mar 13, 2001
Rep. Hooley, Darlene [D-OR-5]	D · OR		Mar 13, 2001
Rep. Kanjorski, Paul E. [D-PA-11]	D · PA		Mar 13, 2001
Rep. Ney, Robert W. [R-OH-18]	R · OH		Mar 13, 2001
Rep. Roukema, Marge [R-NJ-5]	R · NJ		Mar 13, 2001
Rep. Shays, Christopher [R-CT-4]	R · CT		Mar 14, 2001
Rep. Bereuter, Doug [R-NE-1]	R · NE		Mar 19, 2001
Rep. Royce, Edward R. [R-CA-39]	R · CA		Mar 19, 2001
Rep. Carson, Julia [D-IN-10]	D · IN		Dec 13, 2001
Rep. Kelly, Sue W. [R-NY-19]	R · NY		Apr 9, 2002

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Reported by	Mar 21, 2001

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Business Checking Freedom Act of 2002 - Amends the Federal Reserve Act, the Home Owners' Loan Act, and the Federal Deposit Insurance Act to repeal the prohibition against the payment of interest on demand deposits. Makes such repeal effective two years from the date of enactment.

(Sec. 3) Authorizes interest-bearing transaction accounts for businesses, permitting up to 24 transfers per month (or any greater number the Federal Reserve Board (Board) may determine) to another account of the owner in the same institution.

(Sec. 4) Authorizes the payment of interest by a Federal reserve bank at least quarterly on balances maintained there on behalf of a depository institution.

Revises the requirements for the annual survey of bank fees and services by the Board to specify the inclusion of: (1) checking and other transaction accounts; (2) negotiable order of withdrawal and savings accounts; (3) automated teller machine transactions; and (4) other electronic transactions. Establishes minimum survey requirements for each such account or transaction area. Requires such survey to address minimum balance requirements as well as fees.

Amends the Truth in Lending Act (and Consumer Credit Protection Act) to revise the requirements for the semiannual survey of credit card price and availability information to specify the inclusion of certain information, including finance charges, annual percentage rates, and various fees.

Requires the Board to report annually to Congress on the results of both surveys.

Amends the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 to repeal the termination date for and so continue the annual survey by the Board of certain retail banking services (and associated fees) provided by insured depository institutions.

(Sec. 5) Amends the Federal Reserve Act to revise the ratio of reserves a depository institution must maintain against its transaction accounts, permitting a ratio of zero.

(Sec. 6) Directs the Federal reserve banks in FY 2002 through 2006 to transfer to the Board for transfer to the Secretary of the Treasury, for deposit in the general fund, additional surplus funds equal to the net cost of their interest payments to depository institutions.

(Sec. 7) Provides a rule of construction for escrow accounts maintained at a depository institution in connection with a real estate transaction. Declares that the institution's absorption of expenses or forbearance in charging a fee or other benefit should not be treated as the payment or receipt of interest.

## Actions Timeline

---

- **Apr 15, 2002:** Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 344.
- **Apr 12, 2002:** Read the first time. Placed on Senate Legislative Calendar under Read the First Time.
- **Apr 10, 2002:** Received in the Senate.
- **Apr 9, 2002:** Mr. Toomey moved to suspend the rules and pass the bill, as amended.
- **Apr 9, 2002:** Considered under suspension of the rules. (consideration: CR H1107-1111)
- **Apr 9, 2002:** DEBATE - The House proceeded with forty minutes of debate on H.R. 1009.
- **Apr 9, 2002:** Passed/agreed to in House: On motion to suspend the rules and pass the bill, as amended Agreed to by voice vote.(text: CR H1107-1108)
- **Apr 9, 2002:** On motion to suspend the rules and pass the bill, as amended Agreed to by voice vote. (text: CR H1107-1108)
- **Apr 9, 2002:** Motion to reconsider laid on the table Agreed to without objection.
- **Mar 28, 2001:** Committee Consideration and Mark-up Session Held.
- **Mar 28, 2001:** The committee laid the measure on the table by unanimous consent.
- **Mar 21, 2001:** Subcommittee Consideration and Mark-up Session Held.
- **Mar 21, 2001:** Forwarded by Subcommittee to Full Committee by Voice Vote.
- **Mar 20, 2001:** Referred to the Subcommittee on Financial Institutions and Consumer Credit.
- **Mar 13, 2001:** Introduced in House
- **Mar 13, 2001:** Introduced in House
- **Mar 13, 2001:** Referred to the House Committee on Financial Services.