

## S 601

Small Business Checking Regulatory Relief Act of 2001

**Congress:** 107 (2001–2003, Ended)

**Chamber:** Senate

**Policy Area:** Finance and Financial Sector

**Introduced:** Mar 22, 2001

**Current Status:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as

**Latest Action:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as introduced: CR S2776) (Mar 22, 2001)

**Official Text:** <https://www.congress.gov/bill/107th-congress/senate-bill/601>

### Sponsor

**Name:** Sen. Shelby, Richard C. [R-AL]

**Party:** Democratic • **State:** AL • **Chamber:** Senate

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Mar 22, 2001

### Subjects & Policy Tags

**Policy Area:**

Finance and Financial Sector

### Related Bills

*No related bills are listed.*

## Summary (as of Mar 22, 2001)

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Small Business Checking Regulatory Relief Act of 2001 - Amends Federal banking law governing interaccount transfers to provide that a depository institution may permit owners of certain interest- or dividend-paying accounts to make up to 24 transfers monthly for any purpose to their other accounts in the same institution.

Repeals specified limitations to authorize certain depository institutions offering demand deposits to permit all owners of a interest- or dividend-paying deposit or account to make withdrawals by negotiable or transferable instruments for the purpose of making payments to third parties. Requires interest payments on an escrow account maintained in connection with a loan only if they are required by contract between the lender (or servicer) and borrower or by specific State law.

Amends the Federal Reserve Act, the Home Owners' Loan Act, and the Federal Deposit Insurance Act to repeal the proscription against payment of interest on demand deposits.

Reformulates the mandatory depository institution reserve ratio to: (1) one that is not greater than three percent, and may be zero, (currently, a flat ratio of three percent) for transaction accounts of \$25 million or less; and (2) reduce from eight percent to zero the minimum ratio for transaction accounts exceeding \$25 million. (Thus authorizes zero reserve requirements for such accounts.)

## Actions Timeline

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- **Mar 22, 2001:** Introduced in Senate
- **Mar 22, 2001:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as introduced: CR S2776)