

## HR 4636

### Federal Deposit Insurance Reform Conforming Amendments Act of 2005

**Congress:** 109 (2005–2007, Ended)

**Chamber:** House

**Policy Area:** Finance and Financial Sector

**Introduced:** Dec 18, 2005

**Current Status:** Became Public Law No: 109-173.

**Latest Action:** Became Public Law No: 109-173. (Feb 15, 2006)

**Law:** 109-173 (Enacted Feb 15, 2006)

**Official Text:** <https://www.congress.gov/bill/109th-congress/house-bill/4636>

#### Sponsor

**Name:** Rep. Oxley, Michael G. [R-OH-4]

**Party:** Republican • **State:** OH • **Chamber:** House

#### Cosponsors

*No cosponsors are listed for this bill.*

#### Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Discharged From	Dec 19, 2005

#### Subjects & Policy Tags

##### **Policy Area:**

Finance and Financial Sector

#### Related Bills

Bill	Relationship	Last Action
109 HR 1185	Related bill	May 9, 2005: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

**(This measure has not been amended since it was introduced. The summary has been expanded because action occurred on the measure.)**

Federal Deposit Insurance Reform Conforming Amendments Act of 2005 - (Sec. 2) Amends the Federal Deposit Insurance Act (FDIA) to state that: (1) a government depositor is separate and distinct from any other U.S. officer, employee, or agent; and (2) the deposits of a government depositor shall be insured in an amount equal to a specified standard maximum deposit insurance.

Revises guidelines for insurance of trust funds to state that such funds and certain bank deposit financial assistance program funds shall be insured to the standard maximum deposit insurance amount. (The current the insurance maximum is \$100,000).

Establishes a fine for violations of signage requirements pertaining to the insurance logo for insured depository institutions and insured credit unions.

Amends the International Banking Act of 1978 to replace the minimum deposit of \$100,000 with a standard maximum deposit insurance amount.

Makes conforming changes to the Federal Credit Union Act. Provides coverage for certain employee benefit plan deposits. Directs the National Credit Union Administration Board to provide pass-through share insurance for the deposits or shares of any employee benefit plan.

(Sec. 3) Makes conforming amendments relating to assessments and repeal of special rules relating to minimum assessments and free deposit insurance.

Amends the Federal Deposit Insurance Corporation Improvement Act of 1991 to remove the Board of Governors of the Federal Reserve System from the requirement to consider certain factors in determining the minimum requirements for lifeline accounts at insured depository institutions. (Thus leaves the Federal Deposit Insurance Corporation (FDIC) with the sole responsibility to consider such factors in determining such minimum requirements.)

(Sec. 4) Defines the "designated reserve ratio" as the reserve ratio designated by the FDIC Board of Directors.

(Sec. 5) Requires a report to Congress on refunds, dividends, and credits from the Deposit Insurance Fund (DIF).

(Sec. 6) Directs the Comptroller General to study and report to Congress on: (1) the efficiency and effectiveness of the administration of the prompt corrective action program by federal banking agencies, including their effectiveness in identifying troubled depository institutions and taking effective action with respect to them, and the degree of accuracy of the risk assessments made by the FDIC; and (2) the appropriateness of the FDIC's organizational structure.

Requires the FDIC Board of Directors and the National Credit Union Administration Board (NCUAB) each to study and report to Congress on the feasibility of: (1) establishing a voluntary deposit insurance system for deposits in excess of the maximum amount of deposit insurance; (2) increasing the limit on deposit insurance for deposits of municipalities and other units of general local government; and (3) privatizing all deposit insurance at insured depository institutions and insured credit unions.

Requires the FDIC to study and report to Congress on the feasibility of: (1) using alternatives to estimated insured

deposits in calculating the reserve ratio of the DIF and designating a reserve ratio for it; and (2) the reserve methodology and loss accounting used by the FDIC between January 1, 1992, and December 31, 2004, with respect to insured depository institutions in a troubled condition.

Directs the Comptroller General to study and report to Congress on the potential impact on the U.S. financial system of the implementation of the new Basel Capital Accord (Basel II) and the proposed revisions to current reserve requirement regulations for non-Basel II banks.

(Sec. 7) Directs the FDIC to survey and report biannually to Congress on efforts by insured depository institutions to bring individuals and families who have rarely, if ever, held a checking account, a savings account, or other type of transaction or check cashing account at an insured depository institution (the unbanked) into the conventional finance system.

(Sec. 8) Amends the FDIA to establish the DIF, to be available to the FDIC for use with respect to insured depository institutions whose deposits are DIF-insured.

Prescribes guidelines for borrowing for the DIF from insured depository institutions and Federal Home Loan Banks.

(Sec. 9) Makes technical and conforming amendments to the FDIA and the following Acts relating to the merger of the BIF and SAIF to reflect the changes made by this Act: (1) Revised Statutes of the United States; (2) the Federal Reserve Act; (3) the Federal Home Loan Bank Act; (4) the Home Owners' Loan Act; (5) the National Housing Act; (6) the Financial Institutions Reform, Recovery, and Enforcement Act of 1989; (7) the Gramm-Leach-Bliley Act; and (8) the Bank Holding Company Act of 1956.

## **Actions Timeline**

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- **Feb 15, 2006:** Signed by President.
- **Feb 15, 2006:** Signed by President.
- **Feb 15, 2006:** Became Public Law No: 109-173.
- **Feb 15, 2006:** Became Public Law No: 109-173.
- **Feb 9, 2006:** Presented to President.
- **Feb 9, 2006:** Presented to President.
- **Feb 8, 2006:** Message on Senate action sent to the House.
- **Dec 22, 2005:** Passed/agreed to in Senate: Passed Senate without amendment by Unanimous Consent.(consideration: CR S14416)
- **Dec 22, 2005:** Passed Senate without amendment by Unanimous Consent. (consideration: CR S14416)
- **Dec 22, 2005:** Cleared for White House.
- **Dec 19, 2005:** Referred to the House Committee on Financial Services.
- **Dec 19, 2005:** Committee on Financial Services discharged.
- **Dec 19, 2005:** Committee on Financial Services discharged.
- **Dec 19, 2005:** Considered by unanimous consent. (consideration: CR H12278-12283)
- **Dec 19, 2005:** Mr. Pombo asked unanimous consent to discharge from committee and consider.
- **Dec 19, 2005:** Passed/agreed to in House: On passage Passed without objection.(text: CR H12279-12283)
- **Dec 19, 2005:** On passage Passed without objection. (text: CR H12279-12283)
- **Dec 19, 2005:** Motion to reconsider laid on the table Agreed to without objection.
- **Dec 19, 2005:** Received in the Senate, read twice.
- **Dec 18, 2005:** Introduced in House
- **Dec 18, 2005:** Introduced in House