

S 2699

A bill to require the National Credit Union Administration to provide pass-through share insurance for the deposits or shares of any interest on lawyers trust accounts, and for other purposes.

Congress: 113 (2013–2015, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Jul 30, 2014

Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Jul 30, 2014)

Official Text: <https://www.congress.gov/bill/113th-congress/senate-bill/2699>

Sponsor

Name: Sen. King, Angus S., Jr. [I-ME]

Party: Independent • **State:** ME • **Chamber:** Senate

Cosponsors (2 total)

| Cosponsor | Party / State | Role | Date Joined |
|-----------------------------|---------------|------|--------------|
| Sen. Warner, Mark R. [D-VA] | D · VA | | Jul 30, 2014 |
| Sen. Reed, Jack [D-RI] | D · RI | | Sep 18, 2014 |

Committee Activity

| Committee | Chamber | Activity | Date |
|---|---------|-------------|--------------|
| Banking, Housing, and Urban Affairs Committee | Senate | Referred To | Jul 30, 2014 |

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

| Bill | Relationship | Last Action |
|-------------|--------------|---|
| 113 HR 3468 | Related bill | Dec 18, 2014: Became Public Law No: 113-252. |
| 113 S 2698 | Related bill | Sep 16, 2014: Committee on Banking, Housing, and Urban Affairs. Hearings held. |

Amends the Federal Credit Union Act regarding insured amounts payable in connection with a bankrupt state-chartered credit union for which the National Credit Union Administration (NCUA) Board is the liquidating agent.

Revises requirements relating to the limitation to the standard maximum share insurance amount (\$250,000) for the net amount of share insurance payable to any member at an insured credit union in the event of such a bankruptcy. Applies the limitation also to any person with funds lawfully held in a member account.

Requires the Board to provide pass-through share insurance paid by certain lawyers administering deposits or shares of any interest on a lawyer's trust account (IOLTA), or paid by the escrow agent administering other similar escrow accounts.

Defines "IOLTA" as a system in which lawyers place certain client funds in interest-bearing or dividend-bearing accounts, with the interest or dividends then used to fund programs such as legal service organizations providing services to clients in need.

Treats IOLTAs as escrow accounts for share insurance purposes, and considers them as member accounts if the administering attorney or escrow agent is a member of the insured credit union in which the funds are held.

Actions Timeline

- **Jul 30, 2014:** Introduced in Senate
- **Jul 30, 2014:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.