

## S 1572

### Depositor Protection Act of 2023

**Congress:** 118 (2023–2025, Ended)

**Chamber:** Senate

**Policy Area:** Finance and Financial Sector

**Introduced:** May 11, 2023

**Current Status:** Committee on Banking, Housing, and Urban Affairs. Hearings held.

**Latest Action:** Committee on Banking, Housing, and Urban Affairs. Hearings held. (Jun 22, 2023)

**Official Text:** <https://www.congress.gov/bill/118th-congress/senate-bill/1572>

### Sponsor

**Name:** Sen. Hagerty, Bill [R-TN]

**Party:** Republican • **State:** TN • **Chamber:** Senate

### Cosponsors

No cosponsors are listed for this bill.

### Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Hearings By (full committee)	Jun 22, 2023

### Subjects & Policy Tags

#### Policy Area:

Finance and Financial Sector

### Related Bills

Bill	Relationship	Last Action
118 HR 5845	Identical bill	Sep 29, 2023: Referred to the Committee on Financial Services, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

## **Depositor Protection Act of 2023**

This bill expands Federal Deposit Insurance Corporation (FDIC) protections and the actions the FDIC is allowed to take, including in the event of an institutional failure.

First, the bill expands for two years FDIC deposit insurance for an amount up to \$100,000,000 that a depositor maintains at an insured depository institution in a noninterest-bearing transaction account. (Currently, the FDIC insures deposits up to \$250,000.)

The bill also increases the reciprocal deposit limit applicable to depository institutions. (Reciprocal deposits are used by institutions to increase the availability of deposit insurance by splitting large deposits using a reciprocal network of institutions.)

For 90 days after the date of enactment, the bill allows for the acquisition of distressed banks by a bank holding company without regulatory approval under certain circumstances.

The bill also allows the FDIC to facilitate a merger, sale, assumption of liabilities, or stock acquisition involving the failure of a large institution using an adjusted least-cost resolution calculation.

## **Actions Timeline**

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- **Jun 22, 2023:** Committee on Banking, Housing, and Urban Affairs. Hearings held.
- **May 11, 2023:** Introduced in Senate
- **May 11, 2023:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.