

106TH CONGRESS
2D SESSION

S. 2589

To amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under that Act, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 18, 2000

Mr. JOHNSON (for himself and Mr. TORRICELLI) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under that Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Meeting America’s In-
5 vestment Needs in Small Towns Act of 2000”.

1 **SEC. 2. PERIODIC ADJUSTMENT TO MAXIMUM AMOUNT OF**
2 **DEPOSIT INSURANCE COVERAGE.**

3 (a) IN GENERAL.—Section 11(a)(1) of the Federal
4 Deposit Insurance Act (12 U.S.C. 1821(a)(1)) is amended
5 by striking subparagraph (B) and inserting the following:

6 “(B) NET AMOUNT OF INSURED DE-
7 POSIT.—

8 “(i) IN GENERAL.—Subject to clause
9 (ii), the net amount due to any depositor
10 at an insured depository institution shall
11 not exceed \$100,000, as determined in ac-
12 cordance with subparagraphs (C) and (D).

13 “(ii) INFLATION ADJUSTMENT.—As of
14 the 1st day of the 3-year period beginning
15 on January 1, 2001, and the 1st day of
16 each subsequent 3-year period, the max-
17 imum net amount due to any depositor at
18 an insured depository institution under
19 clause (i) shall be increased by the product
20 of—

21 “(I) the amount described in
22 clause (i); and

23 “(II) the cost of living adjust-
24 ment determined under section 1(f)(3)
25 of the Internal Revenue Code of 1986,

1 at the beginning of each such 3-year
2 period, in accordance with clause (iii).

3 “(iii) RULE OF APPLICATION.—Sec-
4 tion 1(f)(3)(B) of the Internal Revenue
5 Code of 1986, shall be applied, for pur-
6 poses of clause (ii) of this subsection, by
7 substituting ‘calendar year 1980’ for ‘cal-
8 endar year 1992’.

9 “(iv) ROUNDING.—If the amount de-
10 termined under clause (ii) for any period is
11 not a multiple of \$1,000, the amount so
12 determined shall be rounded to the nearest
13 \$1,000.

14 “(v) PUBLICATION.—Not later than
15 January 15 of the 1st year of each 3-year
16 period referred to in clause (ii), the Board
17 of Directors shall publish in the Federal
18 Register the maximum net amount which
19 may be due to any depositor at an insured
20 depository institution during such 3-year
21 period.”.

22 (b) TECHNICAL AND CONFORMING AMENDMENTS.—
23 The Federal Deposit Insurance Act (12 U.S.C. 1811 et
24 seq.) is amended—

1 (1) in paragraphs (1) and (3) of section 7(i)
 2 (12 U.S.C. 1817(i)(1), (3)), by striking “\$100,000”
 3 each place it appears and inserting “the amount de-
 4 termined under section 11(a)(1)(B)”;

5 (2) in section 11 (12 U.S.C. 1821)—

6 (A) in subsection (a)(2)(A), in the material
 7 immediately following clause (v), by striking “in
 8 an amount not to exceed \$100,000 per ac-
 9 count” the second place it appears;

10 (B) in paragraphs (2)(A) and (3)(A) of
 11 subsection (a), by striking “\$100,000” each
 12 place it appears and inserting “the amount de-
 13 termined under paragraph (1)(B)”;

14 (C) in subsection (m)(6), by striking
 15 “\$100,000” and inserting “the amount deter-
 16 mined under subsection (a)(1)(B)”;

17 (3) in section 18(a)(1)(B) (12 U.S.C.
 18 1828(a)(1)(B), by striking “\$100,000” and insert-
 19 ing “[\$____], the bracketed portion to be filled by
 20 the amount determined under section 11(a)(1)(B)”;
 21 and

22 (4) in section 43(d) (12 U.S.C. 1831t(d)), by
 23 striking “\$100,000” and inserting “the amount de-
 24 termined under section 11(a)(1)(B).”.

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