

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 2430

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IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 12, 1994

Referred to the Committee on Banking, Finance and Urban Affairs

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## AN ACT

To facilitate recovery from the recent flooding in Georgia, Alabama, and Florida resulting from Tropical Storm Alberto by providing greater flexibility for depository institutions and their regulators, 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,*

1 **SECTION 1. DEPOSITORY INSTITUTIONS DISASTER RELIEF.**

2 (a) TRUTH IN LENDING ACT; EXPEDITED FUNDS  
3 AVAILABILITY ACT.—

4 (1) TRUTH IN LENDING ACT.—During the 240-  
5 day period beginning on the date of enactment of  
6 this Act, the Board of Governors of the Federal Re-  
7 serve System may make exceptions to the Truth in  
8 Lending Act for transactions within an area in  
9 which the President, pursuant to section 401 of the  
10 Robert T. Stafford Disaster Relief and Emergency  
11 Assistance Act, has determined, on or after July 1,  
12 1994, that a major disaster exists, or within an area  
13 determined to be eligible for disaster relief under  
14 other Federal law by reason of damage related to  
15 the 1994 flooding in Georgia, Alabama, and Florida  
16 resulting from Tropical Storm Alberto, if the Board  
17 determines that the exception can reasonably be ex-  
18 pected to alleviate hardships to the public resulting  
19 from such disaster that outweigh possible adverse ef-  
20 fects.

21 (2) EXPEDITED FUNDS AVAILABILITY ACT.—  
22 During the 240-day period beginning on the date of  
23 enactment of this Act, the Board of Governors of  
24 the Federal Reserve System may make exceptions to  
25 the Expedited Funds Availability Act for depository  
26 institution offices located within any area referred to

1 in paragraph (1) of this section if the Board deter-  
2 mines that the exception can reasonably be expected  
3 to alleviate hardships to the public resulting from  
4 such disaster that outweigh possible adverse effects.

5 (3) TIME LIMIT ON EXCEPTIONS.—Any excep-  
6 tion made under this subsection shall expire not  
7 later than January 1, 1996.

8 (4) PUBLICATION REQUIRED.—The Board of  
9 Governors of the Federal Reserve System shall pub-  
10 lish in the Federal Register a statement that—

11 (A) describes any exception made under  
12 this subsection; and

13 (B) explains how the exception can reason-  
14 ably be expected to produce benefits to the pub-  
15 lic that outweigh possible adverse effects.

16 (b) DEPOSIT OF INSURANCE PROCEEDS.—

17 (1) IN GENERAL.—The appropriate Federal  
18 banking agency may, by order, permit an insured de-  
19 pository institution to subtract from the institution's  
20 total assets, in calculating compliance with the lever-  
21 age limit prescribed under section 38 of the Federal  
22 Deposit Insurance Act, an amount not exceeding the  
23 qualifying amount attributable to insurance pro-  
24 ceeds, if the agency determines that—

25 (A) the institution—

1 (i) had its principal place of business  
2 within an area in which the President, pur-  
3 suant to section 401 of the Robert T. Staf-  
4 ford Disaster Relief and Emergency Assist-  
5 ance Act, has determined, on or after July  
6 1, 1994, that a major disaster exists, or  
7 within an area determined to be eligible for  
8 disaster relief under other Federal law by  
9 reason of damage related to the 1994  
10 flooding in Georgia, Alabama, and Florida  
11 resulting from Tropical Storm Alberto, on  
12 the day before the date of any such deter-  
13 mination;

14 (ii) derives more than 60 percent of  
15 its total deposits from persons who nor-  
16 mally reside within, or whose principal  
17 place of business is normally within, areas  
18 of intense devastation caused by the major  
19 disaster;

20 (iii) was adequately capitalized (as de-  
21 fined in section 38 of the Federal Deposit  
22 Insurance Act) before the major disaster;  
23 and

1 (iv) has an acceptable plan for manag-  
2 ing the increase in its total assets and total  
3 deposits; and

4 (B) the subtraction is consistent with the  
5 purpose of section 38 of the Federal Deposit  
6 Insurance Act.

7 (2) TIME LIMIT ON EXCEPTIONS.—Any excep-  
8 tion made under this subsection shall expire not  
9 later than January 1, 1996.

10 (3) DEFINITIONS.—For purposes of this sub-  
11 section, the following definitions shall apply:

12 (A) APPROPRIATE FEDERAL BANKING  
13 AGENCY.—The term “appropriate Federal  
14 banking agency” has the same meaning as in  
15 section 3 of the Federal Deposit Insurance Act.

16 (B) INSURED DEPOSITORY INSTITUTION.—  
17 The term “insured depository institution” has  
18 the same meaning as in section 3 of the Federal  
19 Deposit Insurance Act.

20 (C) LEVERAGE LIMIT.—The term “lever-  
21 age limit” has the same meaning as in section  
22 38 of the Federal Deposit Insurance Act.

23 (D) QUALIFYING AMOUNT ATTRIBUTABLE  
24 TO INSURANCE PROCEEDS.—The term “qualify-  
25 ing amount attributable to insurance proceeds”

1 means the amount (if any) by which the institu-  
2 tion's total assets exceed the institution's aver-  
3 age total assets during the calendar quarter  
4 ending before the date of any determination re-  
5 ferred to in paragraph (1)(A)(i), because of the  
6 deposit of insurance payments or governmental  
7 assistance made with respect to damage caused  
8 by, or other costs resulting from, the major dis-  
9 aster.

10 (c) BANKING AGENCY PUBLICATION REQUIRE-  
11 MENTS.—

12 (1) IN GENERAL.—A qualifying regulatory  
13 agency may take any of the following actions with  
14 respect to depository institutions or other regulated  
15 entities whose principal place of business is within,  
16 or with respect to transactions or activities within,  
17 an area in which the President, pursuant to section  
18 401 of the Robert T. Stafford Disaster Relief and  
19 Emergency Assistance Act, has determined, on or  
20 after July 1, 1994, that a major disaster exists, or  
21 within an area determined to be eligible for disaster  
22 relief under other Federal law by reason of damage  
23 related to the 1994 flooding in Georgia, Alabama,  
24 and Florida resulting from Tropical Storm Alberto,

1 if the agency determines that the action would facili-  
2 tate recovery from the major disaster:

3 (A) PROCEDURE.—Exercising the agency’s  
4 authority under provisions of law other than  
5 this subsection without complying with—

6 (i) any requirement of section 553 of  
7 title 5, United States Code; or

8 (ii) any provision of law that requires  
9 notice or opportunity for hearing or sets  
10 maximum or minimum time limits with re-  
11 spect to agency action.

12 (B) PUBLICATION REQUIREMENTS.—Mak-  
13 ing exceptions, with respect to institutions or  
14 other entities for which the agency is the pri-  
15 mary Federal regulator, to—

16 (i) any publication requirement with  
17 respect to establishing branches or other  
18 deposit-taking facilities; or

19 (ii) any similar publication require-  
20 ment.

21 (2) PUBLICATION REQUIRED.—A qualifying  
22 regulatory agency shall publish in the Federal Reg-  
23 ister a statement that—

24 (A) describes any action taken under this  
25 subsection; and

1 (B) explains the need for the action.

2 (3) QUALIFYING REGULATORY AGENCY DE-  
3 FINED.—For purposes of this subsection, the term  
4 “qualifying regulatory agency” means—

5 (A) the Board of Governors of the Federal  
6 Reserve System;

7 (B) the Comptroller of the Currency;

8 (C) the Director of the Office of Thrift Su-  
9 pervision;

10 (D) the Federal Deposit Insurance Cor-  
11 poration;

12 (E) the Financial Institutions Examination  
13 Council;

14 (F) the National Credit Union Administra-  
15 tion; and

16 (G) with respect to chapter 53 of title 31,  
17 United States Code, the Secretary of the Treas-  
18 ury.

19 (4) EXPIRATION.—Any exception made under  
20 this subsection shall expire not later than January  
21 1, 1996.

22 (d) SENSE OF THE CONGRESS.—It is the sense of  
23 the Congress that the Board of Governors of the Federal  
24 Reserve System, the Comptroller of the Currency, the Di-  
25 rector of the Office of Thrift Supervision, the Federal De-

1 posit Insurance Corporation, and the National Credit  
2 Union Administration should encourage depository insti-  
3 tutions to meet the financial services needs of their com-  
4 munities and customers located in areas affected by the  
5 1994 flooding in Georgia, Alabama, and Florida resulting  
6 from Tropical Storm Alberto.

7 (e) OTHER AUTHORITY NOT AFFECTED.—Nothing  
8 in this section limits the authority of any department or  
9 agency under any other provision of law.

Passed the Senate August 25 (legislative day, Au-  
gust 18), 1994.

Attest:

MARTHA S. POPE,  
*Secretary.*