

110TH CONGRESS
2D SESSION

H. R. 7262

To reform the Federal Deposit Insurance System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 3, 2008

Mr. GOHMERT (for himself, Mrs. DRAKE, Mrs. BLACKBURN, Ms. FOXX, Mr. BROUN of Georgia, Mr. McCOTTER, Mr. FEENEY, and Mr. NUNES) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To reform the Federal Deposit Insurance System, 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. INCREASE IN DEPOSIT INSURANCE COVERAGE.**

4 (a) IN GENERAL.—Section 11(a)(1) of the Federal
5 Deposit Insurance Act (12 U.S.C. 1821(a)(1)) is amend-
6 ed—

7 (1) by striking subparagraph (B) and inserting
8 the following new subparagraph:

9 “(B) NET AMOUNT OF INSURED DE-
10 POSIT.—The net amount due to any depositor

1 at an insured depository institution shall not
2 exceed the standard maximum deposit insur-
3 ance amount as determined in accordance with
4 subparagraphs (C), (D), (E), and (F) and para-
5 graph (3);” and

6 (2) by adding at the end the following new sub-
7 paragraphs:

8 “(E) STANDARD MAXIMUM DEPOSIT IN-
9 SURANCE AMOUNT DEFINED.—For purposes of
10 this Act,

11 “(i) the term ‘standard maximum de-
12 posit insurance amount’ means—

13 “(I) until the effective date of
14 final regulations prescribed pursuant
15 to section 9(a)(2) of the Federal De-
16 posit Insurance Reform Act of 2005,
17 \$100,000; and

18 “(II) on and after such effective
19 date, \$100,000, \$250,000, \$500,000,
20 \$750,000, or \$1,000,000, at the op-
21 tion of the insured depository institu-
22 tion, and \$250,000, \$500,000,
23 \$750,000, or \$1,000,000 for eligible
24 retirement accounts, at the option of
25 the insured depository institution, ad-

1 justed as provided under subpara-
2 graph (F); and

3 “(ii) the term ‘eligible retirement
4 plan’ has the same meaning as in section
5 402(c)(8)(B) of the Internal Revenue Code
6 of 1986.

7 “(F) INFLATION ADJUSTMENT.—

8 “(i) IN GENERAL.—By April 1 of
9 2009, and the 1st day of each subsequent
10 5-year period, the Board of Directors and
11 the National Credit Union Administration
12 Board shall jointly consider the factors set
13 forth under clause (v), and, upon deter-
14 mining that an inflation adjustment is ap-
15 propriate, shall jointly prescribe the
16 amount by which the standard maximum
17 deposit insurance amount and the standard
18 maximum share insurance amount (as de-
19 fined in 207(k) of the Federal Credit
20 Union Act) applicable to any depositor at
21 an insured depository institution shall be
22 increased by calculating the product of—

23 “(I) \$100,000, \$250,000,
24 \$500,000, \$750,000, or \$1,000,000 at
25 the option of the insured depository

1 institution, and \$250,000, \$500,000,
2 \$750,000, or \$1,000,000 for eligible
3 retirement accounts, at the option of
4 the insured depository institution; and

5 “(II) the ratio of the published
6 annual value of the Personal Con-
7 sumption Expenditures Chain-Type
8 Price Index (or any successor index
9 thereto), published by the Department
10 of Commerce, for the calendar year
11 preceding the year in which the ad-
12 justment is calculated under this
13 clause, to the published annual value
14 of such index as of the date this sub-
15 paragraph takes effect. The values
16 used in the calculation under sub-
17 clause (II) shall be, as of the date of
18 the calculation, the values most re-
19 cently published by the Department of
20 Commerce.

21 “(ii) ROUNDING.—If the amount de-
22 termined under clause (ii) for any period is
23 not a multiple of \$10,000, the amount so
24 determined shall be rounded down to the
25 nearest \$10,000.

1 “(iii) PUBLICATION AND REPORT TO
2 THE CONGRESS.—Not later than April 5 of
3 any calendar year in which an adjustment
4 is required to be calculated under clause (i)
5 to the standard maximum deposit insur-
6 ance amount and the standard maximum
7 share insurance amount under such clause,
8 the Board of Directors and the National
9 Credit Union Administration Board
10 shall—

11 “(I) publish in the Federal Reg-
12 ister the standard maximum deposit
13 insurance amount, the standard max-
14 imum share insurance amount, and
15 the amount of coverage under para-
16 graph (3)(A) and section 207(k)(3) of
17 the Federal Credit Union Act, as so
18 calculated; and

19 “(II) jointly submit a report to
20 the Congress containing the amounts
21 described in subclause (I).

22 “(iv) 6-MONTH IMPLEMENTATION PE-
23 RIOD.—Unless an Act of Congress enacted
24 before July 1 of the calendar year in which
25 an adjustment is required to be calculated

1 under clause (i) provides otherwise, the in-
2 crease in the standard maximum deposit
3 insurance amount and the standard max-
4 imum share insurance amount shall take
5 effect on January 1 of the year imme-
6 diately succeeding such calendar year.”.

○