

**SECTIONS 641 & 642 AND TITLES II, III, AND IV OF THE  
OMNIBUS CONSOLIDATED APPROPRIATIONS ACT, 1997**

[Public Law 104–208, Enacted September 30, 1996]

[As Amended Through P.L. 106–102, Enacted November 12, 1999]

**【Currency:** This publication is a compilation of the text of Public Law 104-208. It was last amended by the public law listed in the As Amended Through note above and below at the bottom of each page of the pdf version and reflects current law through the date of the enactment of the public law listed at <https://www.govinfo.gov/app/collection/comps>】

**【Note:** While this publication does not represent an official version of any Federal statute, substantial efforts have been made to ensure the accuracy of its contents. The official version of Federal law is found in the United States Statutes at Large and in the United States Code. The legal effect to be given to the Statutes at Large and the United States Code is established by statute (1 U.S.C. 112, 204).】

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**TITLE VI—MISCELLANEOUS  
PROVISIONS**

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**Subtitle D—Other Provisions**

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**SEC. 641. [8 U.S.C. 1372] PROGRAM TO COLLECT INFORMATION RELATING TO NONIMMIGRANT FOREIGN STUDENTS AND OTHER EXCHANGE PROGRAM PARTICIPANTS.**

(a) IN GENERAL.—

(1) PROGRAM.—The Attorney General, in consultation with the Secretary of State and the Secretary of Education, shall develop and conduct a program to collect from approved institutions of higher education, other approved educational institutions, and designated exchange visitor programs in the United States the information described in subsection (c) with respect to aliens who—

(A) have the status, or are applying for the status, of nonimmigrants under subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act; and

(B) are nationals of the countries designated under subsection (b).

(2) DEADLINE.—The program shall commence not later than January 1, 1998.

(3) ALIENS FOR WHOM A VISA IS REQUIRED.—The Attorney General, in consultation with the Secretary of State, shall establish an electronic means to monitor and verify—

(A) the issuance of documentation of acceptance of a foreign student by an approved institution of higher education or other approved educational institution, or of an exchange visitor program participant by a designated exchange visitor program;

(B) the transmittal of the documentation referred to in subparagraph (A) to the Department of State for use by the Bureau of Consular Affairs;

(C) the issuance of a visa to a foreign student or an exchange visitor program participant;

(D) the admission into the United States of the foreign student or exchange visitor program participant;

(E) the notification to an approved institution of higher education, other approved educational institution, or exchange visitor program sponsor that the foreign student or exchange visitor program participant has been admitted into the United States;

(F) the registration and enrollment of that foreign student in such approved institution of higher education or other approved educational institution, or the participation of that exchange visitor in such designated exchange visitor program, as the case may be; and

(G) any other relevant act by the foreign student or exchange visitor program participant, including a changing of school or designated exchange visitor program and any termination of studies or participation in a designated exchange visitor program.

(4) REPORTING REQUIREMENTS.—Not later than 30 days after the deadline for registering for classes for an academic term of an approved institution of higher education or other approved educational institution for which documentation is issued for an alien as described in paragraph (3)(A), or the scheduled commencement of participation by an alien in a designated exchange visitor program, as the case may be, the institution or program, respectively, shall report to the Immigration and Naturalization Service any failure of the alien to enroll or to commence participation.

(b) COVERED COUNTRIES.—The Attorney General, in consultation with the Secretary of State, shall designate countries for purposes of subsection (a)(1)(B). The Attorney General shall initially designate not less than 5 countries and may designate additional countries at any time while the program is being conducted.

(c) INFORMATION TO BE COLLECTED.—

(1) IN GENERAL.—The information for collection under subsection (a) with respect to an alien consists of—

(A) the identity and current address in the United States of the alien;

(B) the nonimmigrant classification of the alien and the date on which a visa under the classification was issued or extended or the date on which a change to such classification was approved by the Attorney General;

(C) in the case of a student at an approved institution of higher education, or other approved educational institution,,<sup>1</sup> the current academic status of the alien, including whether the alien is maintaining status as a full-time student or, in the case of a participant in a designated exchange visitor program, whether the alien is satisfying the terms and conditions of such program;

(D) in the case of a student at an approved institution of higher education, or other approved educational institution,,<sup>2</sup> any disciplinary action taken by the institution against the alien as a result of the alien's being convicted of a crime or, in the case of a participant in a designated exchange visitor program, any change in the alien's participation as a result of the alien's being convicted of a crime; and

(E) the date of entry and port of entry;

(F) the date of the alien's enrollment in an approved institution of higher education, other approved educational institution, or designated exchange visitor program in the United States;

(G) the degree program, if applicable, and field of study; and

(H) the date of the alien's termination of enrollment and the reason for such termination (including graduation, disciplinary action or other dismissal, and failure to re-enroll).

(2) FERPA.—The Family Educational Rights and Privacy Act of 1974 shall not apply to aliens described in subsection (a) to the extent that the Attorney General determines necessary to carry out the program under subsection (a).

(3) ELECTRONIC COLLECTION.—The information described in paragraph (1) shall be collected electronically, where practicable.

(4) COMPUTER SOFTWARE.—

(A) COLLECTING INSTITUTIONS.—To the extent practicable, the Attorney General shall design the program in a manner that permits approved institutions of higher education, other approved educational institutions, and designated exchange visitor programs to use existing software for the collection, storage, and data processing of information described in paragraph (1).

(B) ATTORNEY GENERAL.—To the extent practicable, the Attorney General shall use or enhance existing software for the collection, storage, and data processing of information described in paragraph (1).

(5) REPORTING REQUIREMENTS.—The Attorney General shall prescribe by regulation reporting requirements by taking into account the curriculum calendar of the approved institu-

<sup>1</sup>Section 416(c)(2) of P.L. 107-56 (115 Stat. 354) amended this subparagraph by inserting “, or other approved educational institution,” after “higher education”. This results in double commas.

<sup>2</sup>Section 416(c)(2) of P.L. 107-56 (115 Stat. 354) amended this subparagraph by inserting “, or other approved educational institution,” after “higher education”. This results in double commas.

tion of higher education, other approved educational institution, or exchange visitor program.

(d) PARTICIPATION BY INSTITUTIONS OF HIGHER EDUCATION AND EXCHANGE VISITOR PROGRAMS.—

(1) CONDITION.—The information described in subsection (c) shall be provided by institutions of higher education, other approved educational institutions, or exchange visitor programs as a condition of—

(A) in the case of an approved institution of higher education, or other approved educational institution,<sup>2</sup> the continued approval of the institution under subparagraph (F) or (M) of section 101(a)(15) of the Immigration and Nationality Act; and

(B) in the case of an approved institution of higher education or a designated exchange visitor program, the granting of authority to issue documents to an alien demonstrating the alien's eligibility for a visa under subparagraph (F), (J), or (M) of section 101(a)(15) of such Act.

(2) EFFECT OF FAILURE TO PROVIDE INFORMATION.—If an approved institution of higher education, other approved educational institution, or a designated exchange visitor program fails to provide the specified information, such approvals and such issuance of visas shall be revoked or denied.

(e) FUNDING.—

(1) IN GENERAL.—Beginning on April 1, 1997, the Attorney General shall impose on, and collect from, each alien described in paragraph (3), with respect to whom the institution or program is required by subsection (a) to collect information, a fee established by the Attorney General under paragraph (4) at a time prior to the alien being classified under subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act.

(2) REMITTANCE.—The fees collected under paragraph (1) shall be remitted by the alien pursuant to a schedule established by the Attorney General for immediate deposit and availability as described under section 286(m) of the Immigration and Nationality Act.

(3) ALIENS DESCRIBED.—An alien referred to in paragraph (1) is an alien who seeks nonimmigrant status under subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act (other than a nonimmigrant under section 101(a)(15)(J) of such Act who seeks to come to the United States as a participant in a program sponsored by the Federal Government).

(4) AMOUNT AND USE OF FEES.—

(A) ESTABLISHMENT OF AMOUNT.—The Attorney General shall establish the amount of the fee to be imposed on, and collected from, an alien under paragraph (1). Except as provided in subsection (g)(2), the fee imposed on any individual may not exceed \$100, except that, in the case of an alien admitted under section 101(a)(15)(J) of the Immigration and Nationality Act as an au pair, camp counselor, or participant in a summer work travel program, the fee shall not exceed \$40, except that, in the case of an alien

admitted under section 101(a)(15)(J) of the Immigration and Nationality Act as an au pair, camp counselor, or participant in a summer work travel program, the fee shall not exceed \$35<sup>3</sup>. The amount of the fee shall be based on the Attorney General's estimate of the cost per alien of conducting the information collection program described in this section.

(B) USE.—Fees collected under paragraph (1) shall be deposited as offsetting receipts into the Immigration Examinations Fee Account (established under section 286(m) of the Immigration and Nationality Act) and shall remain available until expended for the Attorney General to reimburse any appropriation the amount paid out of which is for expenses in carrying out this section. Such expenses include, but are not necessarily limited to, those incurred by the Secretary of State in connection with the program under subsection (a).

(5) PROOF OF PAYMENT.—The alien shall present proof of payment of the fee before the granting of—

(A) a visa under section 222 of the Immigration and Nationality Act or, in the case of an alien who is exempt from the visa requirement described in section 212(d)(4) of the Immigration and Nationality Act, admission to the United States; or

(B) change of nonimmigrant classification under section 248 of the Immigration and Nationality Act to a classification described in paragraph (3).

(6) IMPLEMENTATION.—The provisions of section 553 of title 5, United States Code (relating to rule-making) shall not apply to the extent the Attorney General determines necessary to ensure the expeditious, initial implementation of this section.

(f) JOINT REPORT.—Not later than 4 years after the commencement of the program established under subsection (a), the Attorney General, the Secretary of State, and the Secretary of Education shall jointly submit to the Committees on the Judiciary of the Senate and the House of Representatives a report on the operations of the program and the feasibility of expanding the program to cover the nationals of all countries.

(g) WORLDWIDE APPLICABILITY OF THE PROGRAM.—

(1) EXPANSION OF PROGRAM.—Not later than 12 months after the submission of the report required by subsection (f), the Attorney General, in consultation with the Secretary of State and the Secretary of Education, shall commence expansion of the program to cover the nationals of all countries.

(2) REVISION OF FEE.—After the program has been expanded, as provided in paragraph (1), the Attorney General may, on a periodic basis, revise the amount of the fee imposed and collected under subsection (e) in order to take into account changes in the cost of carrying out the program.

(h) DEFINITIONS.—As used in this section:

<sup>3</sup>So in law. See amendment made by section 110 of Appendix B (H.R. 5548 as introduced in the 106th Congress, 114 Stat. 2762A-68) of P.L. 106-553.

(1) APPROVED INSTITUTION OF HIGHER EDUCATION.—The term “approved institution of higher education” means a college or university approved by the Attorney General, in consultation with the Secretary of Education, under subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act.

(2) DESIGNATED EXCHANGE VISITOR PROGRAM.—The term “designated exchange visitor program” means a program that has been—

(A) designated by the Secretary of State for purposes of section 101(a)(15)(J) of the Immigration and Nationality Act; and

(B) selected by the Attorney General for purposes of the program under this section.

(3) OTHER APPROVED EDUCATIONAL INSTITUTION.—The term “other approved educational institution” includes any air flight school, language training school, or vocational school, approved by the Attorney General, in consultation with the Secretary of Education and the Secretary of State, under subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act.

**SEC. 642. [8 U.S.C. 1373] COMMUNICATION BETWEEN GOVERNMENT AGENCIES AND THE IMMIGRATION AND NATURALIZATION SERVICE.**

(a) IN GENERAL.—Notwithstanding any other provision of Federal, State, or local law, a Federal, State, or local government entity or official may not prohibit, or in any way restrict, any government entity or official from sending to, or receiving from, the Immigration and Naturalization Service information regarding the citizenship or immigration status, lawful or unlawful, of any individual.

(b) ADDITIONAL AUTHORITY OF GOVERNMENT ENTITIES.—Notwithstanding any other provision of Federal, State, or local law, no person or agency may prohibit, or in any way restrict, a Federal, State, or local government entity from doing any of the following with respect to information regarding the immigration status, lawful or unlawful, of any individual:

(1) Sending such information to, or requesting or receiving such information from, the Immigration and Naturalization Service.

(2) Maintaining such information.

(3) Exchanging such information with any other Federal, State, or local government entity.

(c) OBLIGATION TO RESPOND TO INQUIRIES.—The Immigration and Naturalization Service shall respond to an inquiry by a Federal, State, or local government agency, seeking to verify or ascertain the citizenship or immigration status of any individual within the jurisdiction of the agency for any purpose authorized by law, by providing the requested verification or status information.

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## TITLE II—ECONOMIC GROWTH AND REGULATORY PAPERWORK REDUCTION

### SEC. 2001. [12 U.S.C. 226 nt] SHORT TITLE; TABLE OF CONTENTS; DEFINITIONS.

(a) SHORT TITLE.—This title may be cited as the “Economic Growth and Regulatory Paperwork Reduction Act of 1996”.

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(c) [12 U.S.C. 252 nt] DEFINITIONS.—Except as otherwise specified in this title, the following definitions shall apply for purposes of this title:

(1) APPRAISAL SUBCOMMITTEE.—The term “Appraisal Subcommittee” means the Appraisal Subcommittee established under section 1011 of the Federal Financial Institutions Examination Council Act of 1978 (as in existence on the day before the date of enactment of this Act).

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

(3) BOARD.—The term “Board” means the Board of Governors of the Federal Reserve System.

(4) CORPORATION.—The term “Corporation” means the Federal Deposit Insurance Corporation.

(5) COUNCIL.—The term “Council” means the Financial Institutions Examination Council established under section 1004 of the Federal Financial Institutions Examination Council Act of 1978.

(6) INSURED CREDIT UNION.—The term “insured credit union” has the same meaning as in section 101 of the Federal Credit Union Act.

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

### Subtitle A—Streamlining the Home Mortgage Lending Process

#### SEC. 2101. [12 U.S.C. 2601 nt] SIMPLIFICATION AND UNIFICATION OF DISCLOSURES REQUIRED UNDER RESPA AND TILA FOR MORTGAGE TRANSACTIONS.

(a) IN GENERAL.—With respect to credit transactions which are subject to the Real Estate Settlement Procedures Act of 1974 and the Truth in Lending Act, the Board of Governors of the Federal Reserve System (hereafter in this section referred to as the “Board”) and the Secretary of Housing and Urban Development (hereafter in this section referred to as the “Secretary”) shall take such action as may be necessary before the end of the 6-month period beginning on the date of enactment of this Act—

(1) to simplify and improve the disclosures applicable to such transactions under such Acts, including the timing of the disclosures; and

(2) to provide a single format for such disclosures which will satisfy the requirements of each such Act with respect to such transactions.

(b) REGULATIONS.—To the extent that it is necessary to prescribe any regulation in order to effect any changes required to be made under subsection (a), the proposed regulation shall be published in the Federal Register before the end of the 6-month period referred to in subsection (a).

(c) RECOMMENDATIONS FOR LEGISLATION.—If the Board and the Secretary find that legislative action may be necessary or appropriate in order to simplify and unify the disclosure requirements under the Real Estate Settlement Procedures Act of 1974 and the Truth in Lending Act, the Board and the Secretary shall submit a report containing recommendations to the Congress concerning such action.

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### Subtitle B—Streamlining Government Regulation

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#### CHAPTER 2—ELIMINATING UNNECESSARY REGULATORY BURDENS

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#### SEC. 2222. [12 U.S.C. 3311] REQUIRED REVIEW OF REGULATIONS.

(a) IN GENERAL.—Not less frequently than once every 10 years, the Council and each appropriate Federal banking agency represented on the Council shall conduct a review of all regulations prescribed by the Council or by any such appropriate Federal banking agency, respectively, in order to identify outdated or otherwise unnecessary regulatory requirements imposed on insured depository institutions.

(b) PROCESS.—In conducting the review under subsection (a), the Council or the appropriate Federal banking agency shall—

(1) categorize the regulations described in subsection (a) by type (such as consumer regulations, safety and soundness regulations, or such other designations as determined by the Council, or the appropriate Federal banking agency); and

(2) at regular intervals, provide notice and solicit public comment on a particular category or categories of regulations, requesting commentators to identify areas of the regulations that are outdated, unnecessary, or unduly burdensome.

(c) COMPLETE REVIEW.—The Council or the appropriate Federal banking agency shall ensure that the notice and comment period described in subsection (b)(2) is conducted with respect to all regulations described in subsection (a) not less frequently than once every 10 years.

(d) REGULATORY RESPONSE.—The Council or the appropriate Federal banking agency shall—

(1) publish in the Federal Register a summary of the comments received under this section, identifying significant issues raised and providing comment on such issues; and

(2) eliminate unnecessary regulations to the extent that such action is appropriate.

(e) **REPORT TO CONGRESS.**—Not later than 30 days after carrying out subsection (d)(1), the Council shall submit to the Congress a report, which shall include—

(1) a summary of any significant issues raised by public comments received by the Council and the appropriate Federal banking agencies under this section and the relative merits of such issues; and

(2) an analysis of whether the appropriate Federal banking agency involved is able to address the regulatory burdens associated with such issues by regulation, or whether such burdens must be addressed by legislative action.

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**SEC. 2227. [12 U.S.C. 252] CREDIT AVAILABILITY ASSESSMENT.**

(a) **STUDY.**—

(1) **IN GENERAL.**—Not later than 12 months after the date of enactment of this Act, and once every 60 months thereafter, the Board, in consultation with the Director of the Office of Thrift Supervision, the Comptroller of the Currency, the Board of Directors of the Corporation, the Administrator of the National Credit Union Administration, the Administrator of the Small Business Administration, and the Secretary of Commerce, shall conduct a study and submit a report to the Congress detailing the extent of small business lending by all creditors.

(2) **CONTENTS OF STUDY.**—The study required under paragraph (1) shall identify, to the extent practicable, those factors which provide policymakers with insights into the small business credit market, including—

(A) the demand for small business credit, including consideration of the impact of economic cycles on the levels of such demand;

(B) the availability of credit to small businesses;

(C) the range of credit options available to small businesses, such as those available from insured depository institutions and other providers of credit;

(D) the types of credit products used to finance small business operations, including the use of traditional loans, leases, lines of credit, home equity loans, credit cards, and other sources of financing;

(E) the credit needs of small businesses, including, if appropriate, the extent to which such needs differ, based upon product type, size of business, cash flow requirements, characteristics of ownership or investors, or other aspects of such business;

(F) the types of risks to creditors in providing credit to small businesses; and

(G) such other factors as the Board deems appropriate.

(b) USE OF EXISTING DATA.—The studies required by this section shall not increase the regulatory or paperwork burden on regulated financial institutions, other sources of small business credit, or small businesses.

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### Subtitle D—Consumer Credit

#### CHAPTER 1—CREDIT REPORTING REFORM

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**SEC. 2422. FEDERAL RESERVE BOARD STUDY.**

(a) STUDY REQUIRED.—The Board of Governors of the Federal Reserve System, in consultation with the other Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act) and the Federal Trade Commission, shall conduct a study of whether organizations which, as of the date of the enactment of this Act, are not subject to the Fair Credit Reporting Act as consumer reporting agencies (as defined in section 603 of such Act) are engaged in the business of making sensitive consumer identification information, including social security numbers, mothers' maiden names, prior addresses, and dates of birth, available to the general public.

(b) DETERMINATION OF POTENTIAL FOR FRAUD.—If the Board of Governors of the Federal Reserve System determines that organizations referred to in subsection (a) are engaged in the business of making sensitive consumer identification information available to the general public, the Board shall determine—

(1) whether such activities create undue potential for fraud and risk of loss to insured depository institutions (as defined in section 3 of the Federal Deposit Insurance Act); and

(2) if so, whether changes in Federal law are necessary to address such risks of fraud and loss.

(c) REPORT TO CONGRESS.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Board of Governors of the Federal Reserve System shall submit a report to the Congress containing—

(1) the findings and conclusion of the Board in connection with the study required under subsections (a) and (b); and

(2) recommendations for such legislative or administrative action as the Board determines to be appropriate.

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### Subtitle F—Miscellaneous

**SEC. 2601. FEDERAL RESERVE BOARD STUDY.**

(a) STUDY OF ELECTRONIC STORED VALUE PRODUCTS.—

(1) STUDY.—The Board shall conduct a study of electronic stored value products which evaluates whether provisions of the Electronic Fund Transfer Act could be applied to such

products without adversely impacting the cost, development, and operation of such products.

(2) **CONSIDERATIONS.**—In conducting its study under paragraph (1), the Board shall consider whether alternatives to regulation under the Electronic Fund Transfer Act, such as allowing competitive market forces to shape the development and operation of electronic stored value products, could more efficiently achieve the objectives embodied in that Act.

(b) **REPORT.**—The Board shall submit a report of its study under subsection (a) to the Congress not later than 6 months after the date of enactment of this Act.

(c) **ACTION TO FINALIZE.**—The Board shall take no action to finalize any amendments to regulations under the Electronic Fund Transfer Act that would regulate electronic stored value products until the later of—

(1) 3 months after the date on which the report is submitted to the Congress under subsection (b); or

(2) 9 months after the date of enactment of this Act.

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**SEC. 2606. [12 U.S.C. 1752a nt] STUDY OF CORPORATE CREDIT UNIONS.**

(a) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

(1) **ADMINISTRATION.**—The term “Administration” means the National Credit Union Administration.

(2) **BOARD.**—The term “Board” means the National Credit Union Administration Board.

(3) **CORPORATE CREDIT UNION.**—The term “corporate credit union” has the meaning given such term by rule or regulation of the Board.

(4) **FUND.**—The term “Fund” means the National Credit Union Share Insurance Fund established under section 203 of the Federal Credit Union Act.

(5) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

(b) **STUDY.**—

(1) **IN GENERAL.**—The Secretary, in consultation with the Board, the Corporation, the Comptroller of the Currency, and the Administration, shall conduct a study and evaluation of—

(A) the oversight and supervisory practices of the Administration concerning the Fund, including the treatment of amounts deposited in the Fund pursuant to section 202(c) of the Federal Credit Union Act, including analysis of—

(i) whether those amounts should be—

(I) refundable; or

(II) treated as expenses; and

(ii) the use of those amounts in determining equity capital ratios;

(B) the potential for, and potential effects of, administration of the Fund by an entity other than the Administration;

(C) the 10 largest corporate credit unions in the United States, conducted in cooperation with appropriate

employees of other Federal agencies with expertise in the examination of federally insured financial institutions, including—

- (i) the investment practices of those credit unions; and
- (ii) the financial stability, financial operations, and financial controls of those credit unions;
- (D) the regulations of the Administration; and
- (E) the supervision of corporate credit unions by the Administration.

(c) REPORT.—Not later than 12 months after the date of enactment of this Act, the Secretary shall submit to the appropriate committees of the Congress, a report that includes the results of the study and evaluation conducted under subsection (b), together with any recommendations that the Secretary considers to be appropriate.

**SEC. 2607. REPORT ON THE RECONCILIATION OF DIFFERENCES BETWEEN REGULATORY ACCOUNTING PRINCIPLES AND GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.**

Not later than 180 days after the date of enactment of this Act, each appropriate Federal banking agency shall submit to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, a report describing both the actions that have been taken by the agency and the actions that will be taken by the agency to eliminate or conform inconsistent or duplicative accounting and reporting requirements applicable to reports or statements filed with any such agency by insured depository institutions, as required by section 121 of the Federal Deposit Insurance Corporation Improvement Act of 1991.

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## Subtitle G—Deposit Insurance Funds

**SEC. 2701. [12 U.S.C. 1811 nt] SHORT TITLE.**

This subtitle may be cited as the “Deposit Insurance Funds Act of 1996”.

**SEC. 2702. [12 U.S.C. 1817 nt] SPECIAL ASSESSMENT TO CAPITALIZE SAIF.**

(a) IN GENERAL.—Except as provided in subsection (f), the Board of Directors of the Federal Deposit Insurance Corporation shall impose a special assessment on the SAIF-assessable deposits of each insured depository institution in accordance with assessment regulations of the Corporation at a rate applicable to all such institutions that the Board of Directors, in its sole discretion, determines (after taking into account the adjustments described in subsections (g), (h), and (j)) will cause the Savings Association Insurance Fund to achieve the designated reserve ratio on the first business day of the 1st month beginning after the date of the enactment of this Act.

(b) FACTORS TO BE CONSIDERED.—In carrying out subsection (a), the Board of Directors shall base its determination on—

(1) the monthly Savings Association Insurance Fund balance most recently calculated;

(2) data on insured deposits reported in the most recent reports of condition filed not later than 70 days before the date of enactment of this Act by insured depository institutions; and

(3) any other factors that the Board of Directors deems appropriate.

(c) **DATE OF DETERMINATION.**—For purposes of subsection (a), the amount of the SAIF-assessable deposits of an insured depository institution shall be determined as of March 31, 1995.

(d) **DATE PAYMENT DUE.**—Except as provided in subsection (g), the special assessment imposed under this section shall be—

(1) due on the first business day of the 1st month beginning after the date of the enactment of this Act; and

(2) paid to the Corporation on the later of—

(A) the first business day of the 1st month beginning after such date of enactment; or

(B) such other date as the Corporation shall prescribe, but not later than 60 days after the date of enactment of this Act.

(e) **ASSESSMENT DEPOSITED IN SAIF.**—Notwithstanding any other provision of law, the proceeds of the special assessment imposed under this section shall be deposited in the Savings Association Insurance Fund.

(f) **EXEMPTIONS FOR CERTAIN INSTITUTIONS.**—

(1) **EXEMPTION FOR WEAK INSTITUTIONS.**—The Board of Directors may, by order, in its sole discretion, exempt any insured depository institution that the Board of Directors determines to be weak, from paying the special assessment imposed under this section if the Board of Directors determines that the exemption would reduce risk to the Savings Association Insurance Fund.

(2) **GUIDELINES REQUIRED.**—Not later than 30 days after the date of enactment of this Act, the Board of Directors shall prescribe guidelines setting forth the criteria that the Board of Directors will use in exempting institutions under paragraph (1). Such guidelines shall be published in the Federal Register.

(3) **EXEMPTION FOR CERTAIN NEWLY CHARTERED AND OTHER DEFINED INSTITUTIONS.**—

(A) **IN GENERAL.**—In addition to the institutions exempted from paying the special assessment under paragraph (1), the Board of Directors shall exempt any insured depository institution from payment of the special assessment if the institution—

(i) was in existence on October 1, 1995, and held no SAIF-assessable deposits before January 1, 1993;

(ii) is a Federal savings bank which—

(I) was established de novo in April 1994 in order to acquire the deposits of a savings association which was in default or in danger of default; and

(II) received minority interim capital assistance from the Resolution Trust Corporation under section 21A(w) of the Federal Home Loan Bank

Act in connection with the acquisition of any such savings association; or  
 (iii) is a savings association, the deposits of which are insured by the Savings Association Insurance Fund, which—

(I) before January 1, 1987, was chartered as a Federal savings bank insured by the Federal Savings and Loan Insurance Corporation for the purpose of acquiring all or substantially all of the assets and assuming all or substantially all of the deposit liabilities of a national bank in a transaction consummated after July 1, 1986; and

(II) as of the date of that transaction, had assets of less than \$150,000,000.

(B) DEFINITION.—For purposes of this paragraph, an institution shall be deemed to have held SAIF-assessable deposits before January 1, 1993, if—

(i) it directly held SAIF-assessable deposits before that date; or

(ii) it succeeded to, acquired, purchased, or otherwise holds any SAIF-assessable deposits as of the date of enactment of this Act that were SAIF-assessable deposits before January 1, 1993.

(4) EXEMPT INSTITUTIONS REQUIRED TO PAY ASSESSMENTS AT FORMER RATES.—

(A) PAYMENTS TO SAIF AND DIF.—Any insured depository institution that the Board of Directors exempts under this subsection from paying the special assessment imposed under this section shall pay semiannual assessments—

(i) during calendar years 1996, 1997, and 1998, into the Savings Association Insurance Fund, based on SAIF-assessable deposits of that institution, at assessment rates calculated under the schedule in effect for Savings Association Insurance Fund members on June 30, 1995; and

(ii) during calendar year 1999—

(I) into the Deposit Insurance Fund, based on SAIF-assessable deposits of that institution as of December 31, 1998, at assessment rates calculated under the schedule in effect for Savings Association Insurance Fund members on June 30, 1995; or

(II) in accordance with clause (i), if the Bank Insurance Fund and the Savings Association Insurance Fund are not merged into the Deposit Insurance Fund.

(B) OPTIONAL PRO RATA PAYMENT OF SPECIAL ASSESSMENT.—This paragraph shall not apply with respect to any insured depository institution (or successor insured depository institution) that has paid, during any calendar year from 1997 through 1999, upon such terms as the Corporation may announce, an amount equal to the product of—

(i) 16.7 percent of the special assessment that the institution would have been required to pay under subsection (a), if the Board of Directors had not exempted the institution; and

(ii) the number of full semiannual periods remaining between the date of the payment and December 31, 1999.

(g) SPECIAL ELECTION FOR CERTAIN INSTITUTIONS FACING HARDSHIP AS A RESULT OF THE SPECIAL ASSESSMENT.—

(1) ELECTION AUTHORIZED.—If—

(A) an insured depository institution, or any depository institution holding company which, directly or indirectly, controls such institution, is subject to terms or covenants in any debt obligation or preferred stock outstanding on September 13, 1995; and

(B) the payment of the special assessment under subsection (a) would pose a significant risk of causing such depository institution or holding company to default or violate any such term or covenant,

the depository institution may elect, with the approval of the Corporation, to pay such special assessment in accordance with paragraphs (2) and (3) in lieu of paying such assessment in the manner required under subsection (a).

(2) 1ST ASSESSMENT.—An insured depository institution which makes an election under paragraph (1) shall pay an assessment in an amount equal to 50 percent of the amount of the special assessment that would otherwise apply under subsection (a), by the date on which such special assessment is payable under subsection (d).

(3) 2D ASSESSMENT.—An insured depository institution which makes an election under paragraph (1) shall pay a 2d assessment, by the date established by the Board of Directors in accordance with paragraph (4), in an amount equal to the product of 51 percent of the rate determined by the Board of Directors under subsection (a) for determining the amount of the special assessment and the SAIF-assessable deposits of the institution on March 31, 1996, or such other date in calendar year 1996 as the Board of Directors determines to be appropriate.

(4) DUE DATE OF 2D ASSESSMENT.—The date established by the Board of Directors for the payment of the assessment under paragraph (3) by a depository institution shall be the earliest practicable date which the Board of Directors determines to be appropriate, which is at least 15 days after the date used by the Board of Directors under paragraph (3).

(5) SUPPLEMENTAL SPECIAL ASSESSMENT.—An insured depository institution which makes an election under paragraph (1) shall pay a supplemental special assessment, at the same time the payment under paragraph (3) is made, in an amount equal to the product of—

(A) 50 percent of the rate determined by the Board of Directors under subsection (a) for determining the amount of the special assessment; and

(B) 95 percent of the amount by which the SAIF-assessable deposits used by the Board of Directors for determining the amount of the 1st assessment under paragraph (2) exceeds, if any, the SAIF-assessable deposits used by the Board for determining the amount of the 2d assessment under paragraph (3).

(h) ADJUSTMENT OF SPECIAL ASSESSMENT FOR CERTAIN BANK INSURANCE FUND MEMBER BANKS.—

(1) IN GENERAL.—For purposes of computing the special assessment imposed under this section with respect to a Bank Insurance Fund member bank, the amount of any deposits of any insured depository institution which section 5(d)(3) of the Federal Deposit Insurance Act treats as insured by the Savings Association Insurance Fund shall be reduced by 20 percent—

(A) if the adjusted attributable deposit amount of the Bank Insurance Fund member bank is less than 50 percent of the total domestic deposits of that member bank as of June 30, 1995; or

(B) if, as of June 30, 1995, the Bank Insurance Fund member—

(i) had an adjusted attributable deposit amount equal to less than 75 percent of the total assessable deposits of that member bank;

(ii) had total assessable deposits greater than \$5,000,000,000; and

(iii) was owned or controlled by a bank holding company that owned or controlled insured depository institutions having an aggregate amount of deposits insured or treated as insured by the Bank Insurance Fund greater than the aggregate amount of deposits insured or treated as insured by the Savings Association Insurance Fund.

(2) ADJUSTED ATTRIBUTABLE DEPOSIT AMOUNT.—For purposes of this subsection, the “adjusted attributable deposit amount” shall be determined in accordance with section 5(d)(3)(C) of the Federal Deposit Insurance Act.

(j)<sup>5</sup> ADJUSTMENT OF SPECIAL ASSESSMENT FOR CERTAIN SAVINGS ASSOCIATIONS.—

(1) SPECIAL ASSESSMENT REDUCTION.—For purposes of computing the special assessment imposed under this section, in the case of any converted association, the amount of any deposits of such association which were insured by the Savings Association Insurance Fund as of March 31, 1995, shall be reduced by 20 percent.

(2) CONVERTED ASSOCIATION.—For purposes of this subsection, the term “converted association” means—

(A) any Federal savings association—

(i) that is a member of the Savings Association Insurance Fund and that has deposits subject to assessment by that fund which did not exceed \$4,000,000,000, as of March 31, 1995; and

<sup>5</sup> Subsection (i) made amendments to the Federal Deposit Insurance Act.

(ii) that had been, or is a successor by merger, acquisition, or otherwise to an institution that had been, a State savings bank, the deposits of which were insured by the Federal Deposit Insurance Corporation before August 9, 1989, that converted to a Federal savings association pursuant to section 5(i) of the Home Owners' Loan Act before January 1, 1985;

(B) a State depository institution that is a member of the Savings Association Insurance Fund that had been a State savings bank before October 15, 1982, and was a Federal savings association on August 9, 1989;

(C) an insured bank that—

(i) was established de novo in order to acquire the deposits of a savings association in default or in danger of default;

(ii) did not open for business before acquiring the deposits of such savings association; and

(iii) was a Savings Association Insurance Fund member before the date of enactment of this Act; and

(D) an insured bank that—

(i) resulted from a savings association before December 19, 1991, in accordance with section 5(d)(2)(G) of the Federal Deposit Insurance Act; and

(ii) had an increase in its capital in conjunction with the conversion in an amount equal to more than 75 percent of the capital of the institution on the day before the date of the conversion.

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**SEC. 2703. FINANCING CORPORATION FUNDING.**

(a)

\*                      \*                      \*                      \*                      \*                      \*

(d) **[12 U.S.C. 1441 nt] PROHIBITION ON DEPOSIT SHIFTING.—**

(1) **IN GENERAL.**—Effective as of the date of the enactment of this Act and ending on the date provided in subsection (c)(2)<sup>6</sup> of this section, the Comptroller of the Currency, the Board of Directors of the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Director of the Office of Thrift Supervision shall take appropriate actions, including enforcement actions, denial of applications, or imposition of entrance and exit fees as if such transactions qualified as conversion transactions pursuant to section 5(d) of the Federal Deposit Insurance Act, to prevent insured depository institutions and depository institution holding companies from facilitating or encouraging the shifting of deposits from SAIF-assessable deposits to BIF-assessable deposits (as defined in section 21(k) of the Federal Home Loan Bank Act) for the purpose of evading the assessments imposed on insured depository institutions with respect to SAIF-assessable deposits under section 7(b) of the Federal Deposit Insur-

<sup>6</sup>Paragraph (2) of subsection (c) provides “[s]ubparagraph (A) of section 21(f)(2) of the Federal Home Loan Bank Act (as amended by subsection (a)) shall not apply after the earlier of December 31, 1999 or, the date as of which the last savings association ceases to exist”.

ance Act and section 21(f)(2) of the Federal Home Loan Bank Act.

(2) REGULATIONS.—The Board of Directors of the Federal Deposit Insurance Corporation may issue regulations, including regulations defining terms used in paragraph (1), to prevent the shifting of deposits described in such paragraph.

(3) RULE OF CONSTRUCTION.—No provision of this subsection shall be construed as prohibiting conduct or activity of any insured depository institution which—

(A) is undertaken in the ordinary course of business of such depository institution; and

(B) is not directed towards the depositors of an insured depository institution affiliate (as defined in section 2(k) of the Bank Holding Company Act of 1956) of such depository institution.

**SEC. 2704. [12 U.S.C. 1821 nt] MERGER OF BIF AND SAIF.**

(a) IN GENERAL.—

(1) MERGER.—The Bank Insurance Fund and the Savings Association Insurance Fund shall be merged into the Deposit Insurance Fund established by section 11(a)(4) of the Federal Deposit Insurance Act, as amended by this section.

(2) DISPOSITION OF ASSETS AND LIABILITIES.—All assets and liabilities of the Bank Insurance Fund and the Savings Association Insurance Fund shall be transferred to the Deposit Insurance Fund.

(3) NO SEPARATE EXISTENCE.—The separate existence of the Bank Insurance Fund and the Savings Association Insurance Fund shall cease.

(b) [Repealed by Pub. L. 106–102, 113 Stat. 1479.]

(c)<sup>7</sup> EFFECTIVE DATE.—This section and the amendments made by this section shall become effective on January 1, 1999, if no insured depository institution is a savings association on that date.

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**SEC. 2709. TREASURY STUDY OF COMMON DEPOSITORY INSTITUTION CHARTER.**

(a) STUDY REQUIRED.—The Secretary of the Treasury shall conduct a study of all issues which the Secretary considers to be relevant with respect to the development of a common charter for all insured depository institutions (as defined in section 3 of the Federal Deposit Insurance Act) and the abolition of separate and distinct charters between banks and savings associations.

(b) REPORT TO THE CONGRESS.—

(1) IN GENERAL.—The Secretary of the Treasury shall submit a report to the Congress on or before March 31, 1997, containing the findings and conclusions of the Secretary in connection with the study conducted pursuant to subsection (a).

(2) DETAILED ANALYSIS AND RECOMMENDATIONS.—The report under paragraph (1) shall include—

<sup>7</sup>Subsection (d) of this section makes conforming and technical amendments primarily to the Federal Deposit Insurance Act. Since this section and the amendments made by this section never became effective, such subsection is not shown.

(A) a detailed analysis of each issue the Secretary considered relevant to the subject of the study;

(B) recommendations of the Secretary with regard to the establishment of a common charter for insured depository institutions (as defined in section 3 of the Federal Deposit Insurance Act); and

(C) such recommendations for legislative and administrative action as the Secretary determines to be appropriate to implement the recommendations of the Secretary under subparagraph (B).

**SEC. 2710. [12 U.S.C. 1821 nt] DEFINITIONS.**

For purposes of this subtitle, the following definitions shall apply:

(1) **BANK INSURANCE FUND.**—The term “Bank Insurance Fund” means the fund established pursuant to section 11(a)(5)(A) of the Federal Deposit Insurance Act, as that section existed on the day before the date of enactment of this Act.

(2) **BIF MEMBER, SAIF MEMBER.**—The terms “Bank Insurance Fund member” and “Savings Association Insurance Fund member” have the same meanings as in section 7(l) of the Federal Deposit Insurance Act.

(3) **VARIOUS BANKING TERMS.**—The terms “bank”, “Board of Directors”, “Corporation”, “deposit”, “insured depository institution”, “Federal savings association”, “savings association”, “State savings bank”, and “State depository institution” have the same meanings as in section 3 of the Federal Deposit Insurance Act.

(4) **DEPOSIT INSURANCE FUND.**—The term “Deposit Insurance Fund” means the fund established under section 11(a)(4) of the Federal Deposit Insurance Act (as amended by section 2704(d) of this subtitle).

(5) **DEPOSITORY INSTITUTION HOLDING COMPANY.**—The term “depository institution holding company” has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(6) **DESIGNATED RESERVE RATIO.**—The term “designated reserve ratio” has the same meaning as in section 7(b)(2)(A)(iv) of the Federal Deposit Insurance Act.

(7) **SAIF.**—The term “Savings Association Insurance Fund” means the fund established pursuant to section 11(a)(6)(A) of the Federal Deposit Insurance Act, as that section existed on the day before the date of enactment of this Act.

(8) **SAIF-ASSESSABLE DEPOSIT.**—The term “SAIF-assessable deposit”—

(A) means a deposit that is subject to assessment for purposes of the Savings Association Insurance Fund under the Federal Deposit Insurance Act (including a deposit that is treated as insured by the Savings Association Insurance Fund under section 5(d)(3) of the Federal Deposit Insurance Act); and

(B) includes any deposit described in subparagraph (A) which is assumed after March 31, 1995, if the insured depository institution, the deposits of which are assumed, is

not an insured depository institution when the special assessment is imposed under section 2702(a).

**SEC. 2711. [26 U.S.C. 162 nt] DEDUCTION FOR SPECIAL ASSESSMENTS.**

For purposes of subtitle A of the Internal Revenue Code of 1986—

(1) the amount allowed as a deduction under section 162 of such Code for a taxable year shall include any amount paid during such year by reason of an assessment under section 2702 of this subtitle, and

(2) section 172(f) of such Code shall not apply to any deduction described in paragraph (1).

### **TITLE III—SPECTRUM ALLOCATION PROVISIONS**

**SEC. 3001. COMPETITIVE BIDDING FOR SPECTRUM.**

(a) COMMISSION OBLIGATION TO MAKE ADDITIONAL SPECTRUM AVAILABLE.—The Federal Communications Commission shall—

(1) reallocate the use of frequencies at 2305–2320 megahertz and 2345–2360 megahertz to wireless services that are consistent with international agreements concerning spectrum allocations; and

(2) assign the use of such frequencies by competitive bidding pursuant to section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)).

(b) ADDITIONAL REQUIREMENTS.—In making the bands of frequencies described in subsection (a) available for competitive bidding, the Commission shall—

(1) seek to promote the most efficient use of the spectrum; and

(2) take into account the needs of public safety radio services.

(c) EXPEDITED PROCEDURES.—The Commission shall commence the competitive bidding for the assignment of the frequencies described in subsection (a)(1) no later than April 15, 1997. The rules governing such frequencies shall be effective immediately upon publication in the Federal Register notwithstanding section 553(d), 801(a)(3), and 806(a) of title 5, United States Code. Chapter 6 of such title, and sections 3507 and 3512 of title 44, United States Code, shall not apply to the rules and competitive bidding procedures governing such frequencies. Notwithstanding section 309(b) of the Communications Act of 1934 (47 U.S.C. 309(b)), no application for an instrument of authorization for such frequencies shall be granted by the Commission earlier than 7 days following issuance of public notice by the Commission of the acceptance for filing of such application or of any substantial amendment thereto. Notwithstanding section 309(d)(1) of such Act (47 U.S.C. 309(d)(1)), the Commission may specify a period (no less than 5 days following issuance of such public notice) for the filing of petitions to deny any application for an instrument of authorization for such frequencies.

(d) DEADLINE FOR COLLECTION.—The Commission shall conduct the competitive bidding under subsection (a)(2) in a manner that ensures that all proceeds of the bidding are deposited in accordance with section 309(j)(8) of the Communications Act of 1934 not later September 30, 1997.

TITLE IV—DEPARTMENT OF STATE AND RELATED  
AGENCIES

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RELATED AGENCIES

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UNITED STATES INFORMATION AGENCY

\*            \*            \*            \*            \*            \*            \*

INTERNATIONAL BROADCASTING OPERATIONS

For expenses necessary to enable the United States Information Agency, as authorized by the United States Information and Educational Exchange Act of 1948, as amended, the United States International Broadcasting Act of 1994, as amended, and Reorganization Plan No. 2 of 1977, to carry out international communication activities; \$325,000,000, of which not to exceed \$16,000 may be used for official receptions within the United States as authorized by section 804(3) of such Act of 1948 (22 U.S.C. 1747(3)), not to exceed \$35,000 may be used for representation abroad as authorized by section 302 of such Act of 1948 (22 U.S.C. 1452) and section 905 of the Foreign Service Act of 1980 (22 U.S.C. 4085), and not to exceed \$39,000 may be used for official reception and representation expenses of Radio Free Europe/Radio Liberty; and in addition, not to exceed \$250,000 from fees as authorized by section 810 of such Act of 1948 (22 U.S.C. 1475e), to remain available until expended for carrying out authorized purposes; and in addition, notwithstanding any other provision of law, not to exceed \$1,000,000 in monies received (including receipts from advertising, if any) by or for the use of the United States Information Agency from or in connection with broadcasting resources owned by or on behalf of the Agency, to be available until expended for carrying out authorized purposes.

BROADCASTING TO CUBA

For expenses necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act, as amended, the Television Broadcasting to Cuba Act, and the International Broadcasting Act of 1994, including the purchase, rent, construction, and improvement of facilities for radio and television transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception, \$25,000,000, to remain available until expended.

