II

107TH CONGRESS
1ST SESSION

S. 128

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

JANUARY 22, 2001

Mr. JOHNSON (for himself, Mr. HAGEL, Mr. DASCHLE, Mr. FEINGOLD, Mr. BINGAMAN, Mr. CONRAD, and Mr. ROBERTS) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ‘‘Meeting America's Investment Needs in Small Towns Act of 2001’’.

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

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

"(B) NET AMOUNT OF INSURED DEPOSIT.—

"(i) IN GENERAL.—Subject to clause (ii), the net amount due to any depositor at an insured depository institution shall not exceed $100,000, as determined in accordance with subparagraphs (C) and (D).

"(ii) INFLATION ADJUSTMENT.—As of the 1st day of the 3-year period beginning on January 1, 2002, and the 1st day of each subsequent 3-year period, the maximum net amount due to any depositor at an insured depository institution under clause (i) shall be increased by the product of—

"(I) the amount described in clause (i); and

"(II) the cost of living adjustment determined under section 1(f)(3) of the Internal Revenue Code of 1986, at the beginning of each such 3-year period, in accordance with clause (iii).

"(iii) RULE OF APPLICATION.—Section 1(f)(3)(B) of the Internal Revenue Code of 1986, shall be applied, for purposes of clause (ii) of this subsection, by substituting 'calendar year 1980' for 'calendar year 1992'.

"(iv) ROUNDING.—If the amount determined under clause (ii) for any period is not a multiple of $1,000, the amount so determined shall be rounded to the nearest $1,000.

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

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

(1) in paragraphs (1) and (3) of section 7(i) (12 U.S.C. 1817(i)(1), (3)), by striking "$100,000" each place it appears and inserting "the amount determined under section 11(a)(1)(B)";

(2) in section 11 (12 U.S.C. 1821)—

(A) in subsection (a)(2)(A), in the material immediately following clause (v), by striking "in an amount not to exceed $100,000 per account" the second place it appears;

(B) in paragraphs (2)(A) and (3)(A) of subsection (a), by striking "$100,000" each place it appears and inserting "the amount determined under paragraph (1)(B)"; and

(C) in subsection (m)(6), by striking "$100,000" and inserting "the amount determined under subsection (a)(1)(B)";

(3) in section 18(a)(1)(B) (12 U.S.C. 1828(a)(1)(B), by striking "$100,000" and inserting "[$], the bracketed portion to be filled by the amount determined under section 11(a)(1)(B)"; and

(4) in section 43(d) (12 U.S.C. 1831t(d)), by striking "$100,000" and inserting "the amount determined under section 11(a)(1)(B).".

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