

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 4636

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IN THE SENATE OF THE UNITED STATES

DECEMBER 19, 2005

Received

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## AN ACT

To enact the technical and conforming amendments necessary to implement the Federal Deposit Insurance Reform Act of 2005, 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. SHORT TITLE.**

2 This Act may be cited as the “Federal Deposit Insur-  
3 ance Reform Conforming Amendments Act of 2005”.

4 **SEC. 2. TECHNICAL AND CONFORMING AMENDMENTS.**

5 (a) TECHNICAL AND CONFORMING AMENDMENTS  
6 RELATING TO GOVERNMENT DEPOSITS.—Section  
7 11(a)(2) of the Federal Deposit Insurance Act (12 U.S.C.  
8 1821(a)(2)) is amended—

9 (1) in subparagraph (A)—

10 (A) by moving the margins of clauses (i)  
11 through (v) 4 ems to the right;

12 (B) by striking, in the matter following  
13 clause (v), “such depositor shall” and all that  
14 follows through the period; and

15 (C) by striking the semicolon at the end of  
16 clause (v) and inserting a period;

17 (2) by striking “(2)(A) Notwithstanding” and  
18 all that follows through “a depositor who is—” and  
19 inserting the following:

20 “(2) GOVERNMENT DEPOSITORS.—

21 “(A) IN GENERAL.—Notwithstanding any  
22 limitation in this Act or in any other provision  
23 of law relating to the amount of deposit insur-  
24 ance available to any 1 depositor—

25 “(i) a government depositor shall, for  
26 the purpose of determining the amount of

1 insured deposits under this subsection, be  
2 deemed to be a depositor separate and dis-  
3 tinct from any other officer, employee, or  
4 agent of the United States or any public  
5 unit referred to in subparagraph (B); and

6 “(ii) except as provided in subpara-  
7 graph (C), the deposits of a government  
8 depositor shall be insured in an amount  
9 equal to the standard maximum deposit in-  
10 surance amount (as determined under  
11 paragraph (1)).

12 “(B) GOVERNMENT DEPOSITOR.—In this  
13 paragraph, the term ‘government depositor’  
14 means a depositor that is—”;

15 (3) by striking “(B) The” and inserting the fol-  
16 lowing:

17 “(C) AUTHORITY TO LIMIT DEPOSITS.—  
18 The”; and

19 (4) by striking “depositor referred to in sub-  
20 paragraph (A) of this paragraph” each place such  
21 term appears and inserting “government depositor”.

22 (b) TECHNICAL AND CONFORMING AMENDMENT RE-  
23 LATING TO INSURANCE OF TRUST FUNDS.—Paragraphs  
24 (1) and (3) of section 7(i) of the Federal Deposit Insur-  
25 ance Act (12 U.S.C. 1817(i)) are each amended by strik-

1 ing “\$100,000” and inserting “the standard maximum de-  
2 posit insurance amount (as determined under section  
3 11(a)(1))”.

4 (c) OTHER TECHNICAL AND CONFORMING AMEND-  
5 MENTS.—

6 (1) Section 11(m)(6) of the Federal Deposit In-  
7 surance Act (12 U.S.C. 1821(m)(6)) is amended by  
8 striking “\$100,000” and inserting “an amount equal  
9 to the standard maximum deposit insurance  
10 amount”.

11 (2) Subsection (a) of section 18 of the Federal  
12 Deposit Insurance Act (12 U.S.C. 1828(a)) is  
13 amended to read as follows:

14 “(a) INSURANCE LOGO.—

15 “(1) INSURED DEPOSITORY INSTITUTIONS.—

16 “(A) IN GENERAL.—Each insured depository  
17 institution shall display at each place of  
18 business maintained by that institution a sign  
19 or signs relating to the insurance of the depos-  
20 its of the institution, in accordance with regula-  
21 tions to be prescribed by the Corporation.

22 “(B) STATEMENT TO BE INCLUDED.—

23 Each sign required under subparagraph (A)  
24 shall include a statement that insured deposits

1           are backed by the full faith and credit of the  
2           United States Government.

3           “(2) REGULATIONS.—The Corporation shall  
4           prescribe regulations to carry out this subsection, in-  
5           cluding regulations governing the substance of signs  
6           required by paragraph (1) and the manner of dis-  
7           play or use of such signs.

8           “(3) PENALTIES.—For each day that an in-  
9           sured depository institution continues to violate this  
10          subsection or any regulation issued under this sub-  
11          section, it shall be subject to a penalty of not more  
12          than \$100, which the Corporation may recover for  
13          its use.”.

14          (3) Section 43(d) of the Federal Deposit Insur-  
15          ance Act (12 U.S.C. 1831t(d)) is amended by strik-  
16          ing “\$100,000” and inserting “an amount equal to  
17          the standard maximum deposit insurance amount”.

18          (4) Section 6 of the International Banking Act  
19          of 1978 (12 U.S.C. 3104) is amended—

20                  (A) by striking “\$100,000” each place  
21                  such term appears and inserting “an amount  
22                  equal to the standard maximum deposit insur-  
23                  ance amount”; and

24                  (B) by adding at the end the following new  
25                  subsection:

1       “(e) STANDARD MAXIMUM DEPOSIT INSURANCE  
2 AMOUNT DEFINED.—For purposes of this section, the  
3 term ‘standard maximum deposit insurance amount’  
4 means the amount of the maximum amount of deposit in-  
5 surance as determined under section 11(a)(1) of the Fed-  
6 eral Deposit Insurance Act.”.

7       (d) CONFORMING CHANGE TO CREDIT UNION SHARE  
8 INSURANCE FUND.—

9           (1) IN GENERAL.—Section 207(k) of the Fed-  
10 eral Credit Union Act (12 U.S.C. 1787(k)) is  
11 amended—

12           (A) by striking “(k)(1)” and all that fol-  
13 lows through the end of paragraph (1) and in-  
14 serting the following:

15       “(k) INSURED AMOUNTS PAYABLE.—

16           “(1) NET INSURED AMOUNT.—

17           “(A) IN GENERAL.—Subject to the provi-  
18 sions of paragraph (2), the net amount of share  
19 insurance payable to any member at an insured  
20 credit union shall not exceed the total amount  
21 of the shares or deposits in the name of the  
22 member (after deducting offsets), less any part  
23 thereof which is in excess of the standard max-  
24 imum share insurance amount, as determined  
25 in accordance with this paragraph and para-

1 graphs (5) and (6), and consistently with ac-  
2 tions taken by the Federal Deposit Insurance  
3 Corporation under section 11(a) of the Federal  
4 Deposit Insurance Act.

5 “(B) AGGREGATION.—Determination of  
6 the net amount of share insurance under sub-  
7 paragraph (A), shall be in accordance with such  
8 regulations as the Board may prescribe, and, in  
9 determining the amount payable to any mem-  
10 ber, there shall be added together all accounts  
11 in the credit union maintained by that member  
12 for that member’s own benefit, either in the  
13 member’s own name or in the names of others.

14 “(C) AUTHORITY TO DEFINE THE EXTENT  
15 OF COVERAGE.—The Board may define, with  
16 such classifications and exceptions as it may  
17 prescribe, the extent of the share insurance cov-  
18 erage provided for member accounts, including  
19 member accounts in the name of a minor, in  
20 trust, or in joint tenancy.”;

21 (B) in paragraph (2)—

22 (i) in subparagraph (A)—

23 (I) in clauses (i) through (v), by  
24 moving the margins 4 ems to the  
25 right;

1 (II) in the matter following  
2 clause (v), by striking “his account”  
3 and all that follows through the pe-  
4 riod; and

5 (III) by striking the semicolon at  
6 the end of clause (v) and inserting a  
7 period;

8 (ii) by striking “(2)(A) Notwith-  
9 standing” and all that follows through “a  
10 depositor or member who is—” and insert-  
11 ing the following:

12 “(2) GOVERNMENT DEPOSITORS OR MEM-  
13 BERS.—

14 “(A) IN GENERAL.—Notwithstanding any  
15 limitation in this Act or in any other provision  
16 of law relating to the amount of insurance  
17 available to any 1 depositor or member, depos-  
18 its or shares of a government depositor or mem-  
19 ber shall be insured in an amount equal to the  
20 standard maximum share insurance amount (as  
21 determined under paragraph (5)), subject to  
22 subparagraph (C).

23 “(B) GOVERNMENT DEPOSITOR.—In this  
24 paragraph, the term ‘government depositor’  
25 means a depositor that is—”;

1 (iii) by striking “(B) The” and insert-  
2 ing the following:

3 “(C) AUTHORITY TO LIMIT DEPOSITS.—  
4 The”; and

5 (iv) by striking “depositor or member  
6 referred to in subparagraph (A)” and in-  
7 serting “government depositor or mem-  
8 ber”; and

9 (C) by adding at the end the following new  
10 paragraphs:

11 “(4) COVERAGE FOR CERTAIN EMPLOYEE BEN-  
12 EFIT PLAN DEPOSITS.—

13 “(A) PASS-THROUGH INSURANCE.—The  
14 Administration shall provide pass-through share  
15 insurance for the deposits or shares of any em-  
16 ployee benefit plan.

17 “(B) PROHIBITION ON ACCEPTANCE OF  
18 DEPOSITS.—An insured credit union that is not  
19 well capitalized or adequately capitalized may  
20 not accept employee benefit plan deposits.

21 “(C) DEFINITIONS.—For purposes of this  
22 paragraph, the following definitions shall apply:

23 “(i) CAPITAL STANDARDS.—The  
24 terms ‘well capitalized’ and ‘adequately

1 capitalized' have the same meanings as in  
2 section 216(c).

3 “(ii) EMPLOYEE BENEFIT PLAN.—

4 The term ‘employee benefit plan’—

5 “(I) has the meaning given to  
6 such term in section 3(3) of the Em-  
7 ployee Retirement Income Security  
8 Act of 1974;

9 “(II) includes any plan described  
10 in section 401(d) of the Internal Rev-  
11 enue Code of 1986; and

12 “(III) includes any eligible de-  
13 ferred compensation plan described in  
14 section 457 of the Internal Revenue  
15 Code of 1986.

16 “(iii) PASS-THROUGH SHARE INSUR-  
17 ANCE.—The term ‘pass-through share in-  
18 surance’ means, with respect to an em-  
19 ployee benefit plan, insurance coverage  
20 based on the interest of each participant,  
21 in accordance with regulations issued by  
22 the Administration.

23 “(D) RULE OF CONSTRUCTION.—No provi-  
24 sion of this paragraph shall be construed as au-  
25 thorizing an insured credit union to accept the

1 deposits of an employee benefit plan in an  
2 amount greater than such credit union is au-  
3 thorized to accept under any other provision of  
4 Federal or State law.

5 “(5) STANDARD MAXIMUM SHARE INSURANCE  
6 AMOUNT DEFINED.—For purposes of this Act, the  
7 term ‘standard maximum share insurance amount’  
8 means \$100,000, adjusted as provided under section  
9 11(a)(1)(F) of the Federal Deposit Insurance Act.”.

10 (2) INCREASE IN SHARE INSURANCE FOR CER-  
11 TAIN RETIREMENT ACCOUNTS.—Section 207(k)(3)  
12 of the Federal Credit Union Act (12 U.S.C.  
13 1787(k)(3)) is amended by striking “\$100,000” and  
14 inserting “‘\$250,000 (which amount shall be subject  
15 to inflation adjustments as provided under section  
16 11(a)(1)(F) of the Federal Deposit Insurance Act,  
17 except that \$250,000 shall be substituted for  
18 \$100,000 wherever such term appears in such sec-  
19 tion)’”.

20 (3) OTHER TECHNICAL AND CONFORMING  
21 AMENDMENTS.—Section 205(a) of the Federal Cred-  
22 it Union Act (12 U.S.C. 1785(a)) is amended to  
23 read as follows:

24 “(a) INSURANCE LOGO.—

25 “(1) INSURED CREDIT UNIONS.—

1           “(A) IN GENERAL.—Each insured credit  
2           union shall display at each place of business  
3           maintained by that credit union a sign or signs  
4           relating to the insurance of the share accounts  
5           of the institution, in accordance with regula-  
6           tions to be prescribed by the Board.

7           “(B) STATEMENT TO BE INCLUDED.—  
8           Each sign required under subparagraph (A)  
9           shall include a statement that insured share ac-  
10          counts are backed by the full faith and credit  
11          of the United States Government.

12          “(2) REGULATIONS.—The Board shall prescribe  
13          regulations to carry out this subsection, including  
14          regulations governing the substance of signs re-  
15          quired by paragraph (1) and the manner of display  
16          or use of such signs.

17          “(3) PENALTIES.—For each day that an in-  
18          sured credit union continues to violate this sub-  
19          section or any regulation issued under this sub-  
20          section, it shall be subject to a penalty of not more  
21          than \$100, which the Board may recover for its  
22          use.”.

23          (e) EFFECTIVE DATE.—This section and the amend-  
24          ments made by this section shall take effect on the date  
25          on which the final regulations required under section

1 2109(a)(2) of the Federal Deposit Insurance Reform Act  
2 of 2005 take effect.

3 **SEC. 3. CONFORMING AMENDMENTS RELATING TO ASSESS-**  
4 **MENTS AND REPEAL OF SPECIAL RULES RE-**  
5 **LATING TO MINIMUM ASSESSMENTS AND**  
6 **FREE DEPOSIT INSURANCE.**

7 (a) IN GENERAL.—The Federal Deposit Insurance  
8 Act (12 U.S.C. 1811 et seq.) is amended as follows:

9 (1) Paragraph (3) of section 7(a) of the Fed-  
10 eral Deposit Insurance Act (12 U.S.C. 1817(a)) is  
11 amended by striking the 3d sentence and inserting  
12 the following: “Such reports of condition shall be the  
13 basis for the certified statements to be filed pursu-  
14 ant to subsection (c).”.

15 (2) Subparagraphs (B)(ii) and (C) of section  
16 7(b)(1) of the Federal Deposit Insurance Act (12  
17 U.S.C. 1817(b)(1)) are each amended by striking  
18 “semiannual” where such term appears in each such  
19 subparagraph.

20 (3) Section 7(b)(2) of the Federal Deposit In-  
21 surance Act (12 U.S.C. 1817(b)(2)) is amended—

22 (A) by striking subparagraphs (E), (F),  
23 and (G);

24 (B) in subparagraph (C), by striking  
25 “semiannual”; and

1           (C) by redesignating subparagraph (H) (as  
2           amended by subsection (e)(2) of this section) as  
3           subparagraph (E).

4           (4) Section 7(b) of the Federal Deposit Insur-  
5           ance Act (12 U.S.C. 1817(b)) is amended by strik-  
6           ing paragraph (4) and redesignating paragraphs (5)  
7           (as amended by subsection (b) of this section), (6),  
8           and (7) as paragraphs (4), (5), and (6) respectively.

9           (5) Section 7(c) of the Federal Deposit Insur-  
10          ance Act (12 U.S.C. 1817(c)) is amended—

11           (A) in paragraph (1)(A), by striking  
12           “semiannual”;

13           (B) in paragraph (2)(A), by striking  
14           “semiannual”; and

15           (C) in paragraph (3), by striking “semi-  
16           annual period” and inserting “initial assess-  
17           ment period”.

18          (6) Section 8(p) of the Federal Deposit Insur-  
19          ance Act (12 U.S.C. 1818(p)) is amended by strik-  
20          ing “semiannual”.

21          (7) Section 8(q) of the Federal Deposit Insur-  
22          ance Act (12 U.S.C. 1818(q)) is amended by strik-  
23          ing “semiannual period” and inserting “assessment  
24          period”.

1           (8) Section 13(c)(4)(G)(ii)(II) of the Federal  
2     Deposit     Insurance     Act     (12     U.S.C.  
3     1823(c)(4)(G)(ii)(II)) is amended by striking “semi-  
4     annual period” and inserting “assessment period”.

5           (9) Section 232(a) of the Federal Deposit In-  
6     surance Corporation Improvement Act of 1991 (12  
7     U.S.C. 1834(a)) is amended—

8           (A) in the matter preceding subparagraph  
9           (A) of paragraph (2), by striking “the Board  
10          and”;

11          (B) in subparagraph (J) of paragraph (2),  
12          by striking “the Board” and inserting “the  
13          Corporation”;

14          (C) by striking subparagraph (A) of para-  
15          graph (3) and inserting the following new sub-  
16          paragraph:

17                 “(A) CORPORATION.—The term ‘Corpora-  
18                 tion’ means the Federal Deposit Insurance Cor-  
19                 poration.”; and

20          (D) in subparagraph (C) of paragraph (3),  
21          by striking “Board” and inserting “Corpora-  
22          tion”.

23          (b) EFFECTIVE DATE.—This section and the amend-  
24     ments made by this section shall take effect on the date  
25     that the final regulations required under section

1 2109(a)(5) of the Federal Deposit Insurance Reform Act  
2 of 2005 take effect.

3 **SEC. 4. TECHNICAL AND CONFORMING AMENDMENTS RE-**  
4 **LATING TO REPLACEMENT OF FIXED DES-**  
5 **IGNATED RESERVE RATIO WITH RESERVE**  
6 **RANGE.**

7 (a) IN GENERAL.—Section 3(y) of the Federal De-  
8 posit Insurance Act (12 U.S.C. 1813(y)) is amended—

9 (1) by striking “(y) The term” and inserting  
10 “(y) DEFINITIONS RELATING TO DEPOSIT INSURANCE  
11 FUND.—

12 “(1) DEPOSIT INSURANCE FUND.—The term”;  
13 and

14 (2) by inserting after paragraph (1) (as so des-  
15 ignated by paragraph (1) of this subsection) the fol-  
16 lowing new paragraph:

17 “(2) DESIGNATED RESERVE RATIO.—The term  
18 ‘designated reserve ratio’ means the reserve ratio  
19 designated by the Board of Directors in accordance  
20 with section 7(b)(3).”.

21 (b) EFFECTIVE DATE.—This section and the amend-  
22 ments made by this section shall take effect on the date  
23 that the final regulations required under section  
24 2109(a)(1) of the Federal Deposit Insurance Reform Act  
25 of 2005 take effect.

1 **SEC. 5. REPORT TO CONGRESS ON REFUNDS, DIVIDENDS,**  
2 **AND CREDITS FROM DEPOSIT INSURANCE**  
3 **FUND.**

4 (a) SUBMISSION.—Any determination under section  
5 7(e)(2)(E) of the Federal Deposit Insurance Act, as added  
6 by section 2107(a) of the Federal Deposit Insurance Re-  
7 form Act of 2005, shall be submitted to the Committee  
8 on Banking, Housing, and Urban Affairs of the Senate  
9 and the Committee on Financial Services of the House of  
10 Representatives, not later than 270 days after making  
11 such determination.

12 (b) CONTENT.—The report submitted under sub-  
13 section (a) shall include—

14 (1) a detailed explanation for the determina-  
15 tion; and

16 (2) a discussion of the factors required to be  
17 considered under section 7(e)(2)(F) of the Federal  
18 Deposit Insurance Act, as added by section 2107(a)  
19 of the Federal Deposit Insurance Reform Act of  
20 2005.

21 **SEC. 6. STUDIES OF FDIC STRUCTURE AND EXPENSES AND**  
22 **CERTAIN ACTIVITIES AND FURTHER POS-**  
23 **SIBLE CHANGES TO DEPOSIT INSURANCE**  
24 **SYSTEM.**

25 (a) STUDY BY COMPTROLLER GENERAL.—

1           (1) STUDY REQUIRED.—The Comptroller Gen-  
2           eral shall conduct a study of the following issues:

3                   (A) The efficiency and effectiveness of the  
4                   administration of the prompt corrective action  
5                   program under section 38 of the Federal De-  
6                   posit Insurance Act by the Federal banking  
7                   agencies (as defined in section 3 of such Act),  
8                   including the degree of effectiveness of such  
9                   agencies in identifying troubled depository insti-  
10                  tutions and taking effective action with respect  
11                  to such institutions, and the degree of accuracy  
12                  of the risk assessments made by the Corpora-  
13                  tion.

14                  (B) The appropriateness of the organiza-  
15                  tional structure of the Federal Deposit Insur-  
16                  ance Corporation for the mission of the Cor-  
17                  poration taking into account—

18                          (i) the current size and complexity of  
19                          the business of insured depository institu-  
20                          tions (as such term is defined in section 3  
21                          of the Federal Deposit Insurance Act);

22                          (ii) the extent to which the organiza-  
23                          tional structure contributes to or reduces  
24                          operational inefficiencies that increase  
25                          operational costs; and

1 (iii) the effectiveness of internal con-  
2 trols.

3 (2) REPORT TO THE CONGRESS.—The Comp-  
4 troller General shall submit a report to the Congress  
5 before the end of the 1-year period beginning on the  
6 date of the enactment of this Act containing the  
7 findings and conclusions of the Comptroller General  
8 with respect to the study required under paragraph  
9 (1) together with such recommendations for legisla-  
10 tive or administrative action as the Comptroller Gen-  
11 eral may determine to be appropriate.

12 (b) STUDY OF FURTHER POSSIBLE CHANGES TO DE-  
13 POSIT INSURANCE SYSTEM.—

14 (1) STUDY REQUIRED.—The Board of Directors  
15 of the Federal Deposit Insurance Corporation and  
16 the National Credit Union Administration Board  
17 shall each conduct a study of the following:

18 (A) The feasibility of establishing a vol-  
19 untary deposit insurance system for deposits in  
20 excess of the maximum amount of deposit in-  
21 surance for any depositor and the potential ben-  
22 efits and the potential adverse consequences  
23 that may result from the establishment of any  
24 such system.

1           (B) The feasibility of increasing the limit  
2           on deposit insurance for deposits of municipali-  
3           ties and other units of general local govern-  
4           ment, and the potential benefits and the poten-  
5           tial adverse consequences that may result from  
6           any such increase.

7           (C) The feasibility of privatizing all deposit  
8           insurance at insured depository institutions and  
9           insured credit unions.

10          (2) REPORT.—Before the end of the 1-year pe-  
11          riod beginning on the date of the enactment of this  
12          Act, the Board of Directors of the Federal Deposit  
13          Insurance Corporation and the National Credit  
14          Union Administration Board shall each submit a re-  
15          port to the Congress on the study required under  
16          paragraph (1) containing the findings and conclu-  
17          sions of the reporting agency together with such rec-  
18          ommendations for legislative or administrative  
19          changes as the agency may determine to be appro-  
20          priate.

21          (c) STUDY REGARDING APPROPRIATE DEPOSIT BASE  
22          IN DESIGNATING RESERVE RATIO.—

23               (1) STUDY REQUIRED.—The Federal Deposit  
24          Insurance Corporation shall conduct a study of the  
25          feasibility of using alternatives to estimated insured

1 deposits in calculating the reserve ratio of the De-  
2 posit Insurance Fund and designating a reserve  
3 ratio for such Fund.

4 (2) REPORT.—The Federal Deposit Insurance  
5 Corporation shall submit a report to the Congress  
6 before the end of the 1-year period beginning on the  
7 date of the enactment of this Act containing the  
8 findings and conclusions of the Corporation with re-  
9 spect to the study required under paragraph (1) to-  
10 gether with such recommendations for legislative or  
11 administrative action as the Board of Directors of  
12 the Corporation may determine to be appropriate.

13 (d) STUDY OF RESERVE METHODOLOGY AND AC-  
14 COUNTING FOR LOSS.—

15 (1) STUDY REQUIRED.—The Federal Deposit  
16 Insurance Corporation shall conduct a study of the  
17 reserve methodology and loss accounting used by the  
18 Corporation during the period beginning on January  
19 1, 1992, and ending December 31, 2004, with re-  
20 spect to insured depository institutions in a troubled  
21 condition (as defined in the regulations prescribed  
22 pursuant to section 32(f) of the Federal Deposit In-  
23 surance Act). The Corporation shall obtain com-  
24 ments on the design of the study from the Comp-  
25 troller General.

1           (2) FACTORS TO BE INCLUDED.—In conducting  
2 the study pursuant to paragraph (1), the Federal  
3 Deposit Insurance Corporation shall—

4           (A) consider the overall effectiveness and  
5 accuracy of the methodology used by the Cor-  
6 poration for establishing and maintaining re-  
7 serves and estimating and accounting for losses  
8 at insured depository institutions, during the  
9 period described in such paragraph;

10          (B) consider the appropriateness and reli-  
11 ability of information and criteria used by the  
12 Corporation in determining—

13           (i) whether an insured depository in-  
14 stitution was in a troubled condition; and

15           (ii) the amount of any loss anticipated  
16 at such institution;

17          (C) analyze the actual historical loss expe-  
18 rience over the period described in paragraph  
19 (1) and the causes of the exceptionally high  
20 rate of losses experienced by the Corporation in  
21 the final 3 years of that period; and

22          (D) rate the efforts of the Corporation to  
23 reduce losses in such 3-year period to minimally  
24 acceptable levels and to historical levels.

1           (3) REPORT REQUIRED.—The Board of Direc-  
2           tors of the Federal Deposit Insurance Corporation  
3           shall submit a report to the Congress before the end  
4           of the 1-year period beginning on the date of the en-  
5           actment of this Act, containing the findings and con-  
6           clusions of the Corporation with respect to the study  
7           required under paragraph (1), together with such  
8           recommendations for legislative or administrative ac-  
9           tion as the Board of Directors may determine to be  
10          appropriate. Before submitting the report to Con-  
11          gress, the Board of Directors shall provide a draft  
12          of the report to the Comptroller General for com-  
13          ment.

14          (e) BASEL II STUDY.—

15           (1) IN GENERAL.—Not later than 1 year after  
16          the date of enactment of this Act, the Comptroller  
17          General shall report to the Committee on Banking,  
18          Housing, and Urban Affairs of the Senate and the  
19          Committee on Financial Services of the House of  
20          Representatives on the potential impact on the fi-  
21          nancial system of the United States of the imple-  
22          mentation of the new Basel Capital Accord (Basel  
23          II) and the proposed revisions to current reserve re-  
24          quirement regulations for non-Basel II banks.

1           (2) FACTORS TO BE INCLUDED.—The report  
2 required under paragraph (1) shall address the fol-  
3 lowing:

4           (A) The potential impact of Basel II on  
5 capital requirements in the United States, in-  
6 cluding—

7                   (i) whether there would be a reduction  
8 in capital requirements;

9                   (ii) whether Basel II could hinder en-  
10 forcement of prompt corrective action laws  
11 and regulations; and

12                   (iii) the potential implications any  
13 changes in capital requirements may have  
14 on the safety and soundness of the finan-  
15 cial system in the United States.

16           (B) By gathering available information,  
17 the ability of United States banks and bank  
18 regulators to implement and comply with the  
19 provisions of Basel II, including—

20                   (i) the costs of Basel II for financial  
21 institutions and regulators

22                   (ii) the feasibility and appropriateness  
23 of Basel II's statistical models; and

1 (iii) the ability of regulators to oversee  
 2 capital requirement operations of financial  
 3 institutions.

4 (C) The ability of the United States finan-  
 5 cial institution regulatory agencies—

6 (i) to attract and retain sufficient ex-  
 7 pertise, both among specialists and exam-  
 8 iners; and

9 (ii) to conduct the necessary oversight  
 10 of capital and risk modeling by regulated  
 11 financial institutions subject to Basel II.

12 **SEC. 7. BI-ANNUAL FDIC SURVEY AND REPORT ON IN-**  
 13 **CREASING THE DEPOSIT BASE BY ENCOUR-**  
 14 **AGING USE OF DEPOSITORY INSTITUTIONS**  
 15 **BY THE UNBANKED.**

16 The Federal Deposit Insurance Act (12 U.S.C. 1811  
 17 et seq.) is amended by adding at the end the following  
 18 new section:

19 **“SEC. 49. BI-ANNUAL FDIC SURVEY AND REPORT ON EN-**  
 20 **COURAGING USE OF DEPOSITORY INSTITU-**  
 21 **TIONS BY THE UNBANKED.**

22 **“(a) SURVEY REQUIRED.—**

23 **“(1) IN GENERAL.—**The Corporation shall con-  
 24 duct a bi-annual survey on efforts by insured deposi-  
 25 tory institutions to bring those individuals and fami-

1 lies who have rarely, if ever, held a checking ac-  
2 count, a savings account or other type of transaction  
3 or check cashing account at an insured depository  
4 institution (hereafter in this section referred to as  
5 the ‘unbanked’) into the conventional finance sys-  
6 tem.

7 “(2) FACTORS AND QUESTIONS TO CON-  
8 sider.—In conducting the survey, the Corporation  
9 shall take the following factors and questions into  
10 account:

11 “(A) To what extent do insured depository  
12 institutions promote financial education and fi-  
13 nancial literacy outreach?

14 “(B) Which financial education efforts ap-  
15 pear to be the most effective in bringing  
16 ‘unbanked’ individuals and families into the  
17 conventional finance system?

18 “(C) What efforts are insured institutions  
19 making at converting ‘unbanked’ money order,  
20 wire transfer, and international remittance cus-  
21 tomers into conventional account holders?

22 “(D) What cultural, language and identi-  
23 fication issues as well as transaction costs ap-  
24 pear to most prevent ‘unbanked’ individuals  
25 from establishing conventional accounts?

1           “(E) What is a fair estimate of the size  
2           and worth of the ‘unbanked’ market in the  
3           United States?”

4           “(b) REPORTS.—The Chairperson of the Board of  
5           Directors shall submit a bi-annual report to the Com-  
6           mittee on Financial Services of the House of Representa-  
7           tives and the Committee on Banking, Housing, and Urban  
8           Affairs of the Senate containing the Corporation’s findings  
9           and conclusions with respect to the survey conducted pur-  
10          suant to subsection (a), together with such recommenda-  
11          tions for legislative or administrative action as the Chair-  
12          person may determine to be appropriate.”.

13   **SEC. 8. TECHNICAL AND CONFORMING AMENDMENTS TO**  
14                           **THE FEDERAL DEPOSIT INSURANCE ACT RE-**  
15                           **LATING TO THE MERGER OF THE BIF AND**  
16                           **SAIF.**

17          (a) IN GENERAL.—The Federal Deposit Insurance  
18          Act (12 U.S.C. 1811 et seq.) is amended—

19               (1) in section 3 (12 U.S.C. 1813)—

20                       (A) by striking subparagraph (B) of sub-  
21                       section (a)(1) and inserting the following new  
22                       subparagraph:

23                               “(B) includes any former savings associa-  
24                               tion.”; and

1 (B) by striking paragraph (1) of sub-  
2 section (y) (as so designated by section 4(b) of  
3 this title) and inserting the following new para-  
4 graph:

5 “(1) DEPOSIT INSURANCE FUND.—The term  
6 ‘Deposit Insurance Fund’ means the Deposit Insur-  
7 ance Fund established under section 11(a)(4).”;

8 (2) in section 5(b)(5) (12 U.S.C. 1815(b)(5)),  
9 by striking “the Bank Insurance Fund or the Sav-  
10 ings Association Insurance Fund,” and inserting  
11 “the Deposit Insurance Fund,”;

12 (3) in section 5(c)(4), by striking “deposit in-  
13 surance fund” and inserting “Deposit Insurance  
14 Fund”;

15 (4) in section 5(d) (12 U.S.C. 1815(d)), by  
16 striking paragraphs (2) and (3) (and any funds re-  
17 sulting from the application of such paragraph (2)  
18 prior to its repeal shall be deposited into the general  
19 fund of the Deposit Insurance Fund);

20 (5) in section 5(d)(1) (12 U.S.C. 1815(d)(1))—

21 (A) in subparagraph (A), by striking “re-  
22 serve ratios in the Bank Insurance Fund and  
23 the Savings Association Insurance Fund as re-  
24 quired by section 7” and inserting “the reserve  
25 ratio of the Deposit Insurance Fund”;

1 (B) by striking subparagraph (B) and in-  
2 serting the following:

3 “(2) **FEE CREDITED TO THE DEPOSIT INSUR-**  
4 **ANCE FUND.**—The fee paid by the depository insti-  
5 tution under paragraph (1) shall be credited to the  
6 Deposit Insurance Fund.”;

7 (C) by striking “(1) **UNINSURED INSTI-**  
8 **TUTIONS.**—”; and

9 (D) by redesignating subparagraphs (A)  
10 and (C) as paragraphs (1) and (3), respectively,  
11 and moving the left margins 2 ems to the left;  
12 (6) in section 5(e) (12 U.S.C. 1815(e))—

13 (A) in paragraph (5)(A), by striking  
14 “Bank Insurance Fund or the Savings Associa-  
15 tion Insurance Fund” and inserting “Deposit  
16 Insurance Fund”;

17 (B) by striking paragraph (6); and

18 (C) by redesignating paragraphs (7), (8),  
19 and (9) as paragraphs (6), (7), and (8), respec-  
20 tively;

21 (7) in section 6(5) (12 U.S.C. 1816(5)), by  
22 striking “Bank Insurance Fund or the Savings As-  
23 sociation Insurance Fund” and inserting “Deposit  
24 Insurance Fund”;

25 (8) in section 7(b) (12 U.S.C. 1817(b))—

1 (A) in paragraph (1)(C), by striking “de-  
2 posit insurance fund” each place that term ap-  
3 pears and inserting “Deposit Insurance Fund”;

4 (B) in paragraph (1)(D), by striking “each  
5 deposit insurance fund” and inserting “the De-  
6 posit Insurance Fund”; and

7 (C) in paragraph (5) (as so redesignated  
8 by section 3(d)(4))—

9 (i) by striking “any such assessment”  
10 and inserting “any such assessment is nec-  
11 essary”;

12 (ii) by striking subparagraph (B);

13 (iii) in subparagraph (A)—

14 (I) by striking “(A) is nec-  
15 essary—”;

16 (II) by striking “Bank Insurance  
17 Fund members” and inserting “in-  
18 sured depository institutions”; and

19 (III) by redesignating clauses (i),  
20 (ii), and (iii) as subparagraphs (A),  
21 (B), and (C), respectively, and moving  
22 the margins 2 ems to the left; and

23 (iv) in subparagraph (C) (as so redesi-  
24 gnated)—

1 (I) by inserting “that” before  
2 “the Corporation”; and

3 (II) by striking “; and” and in-  
4 serting a period;

5 (9) in section 7(j)(7)(F) (12 U.S.C.  
6 1817(j)(7)(F)), by striking “Bank Insurance Fund  
7 or the Savings Association Insurance Fund” and in-  
8 serting “Deposit Insurance Fund”;

9 (10) in section 8(t)(2)(C) (12 U.S.C.  
10 1818(t)(2)(C)), by striking “deposit insurance fund”  
11 and inserting “Deposit Insurance Fund”;

12 (11) in section 11 (12 U.S.C. 1821)—

13 (A) by striking “deposit insurance fund”  
14 each place that term appears and inserting  
15 “Deposit Insurance Fund”;

16 (B) by striking paragraph (4) of sub-  
17 section (a) and inserting the following new  
18 paragraph:

19 “(4) DEPOSIT INSURANCE FUND.—

20 “(A) ESTABLISHMENT.—There is estab-  
21 lished the Deposit Insurance Fund, which the  
22 Corporation shall—

23 “(i) maintain and administer;

1           “(ii) use to carry out its insurance  
2           purposes, in the manner provided by this  
3           subsection; and

4           “(iii) invest in accordance with section  
5           13(a).

6           “(B) USES.—The Deposit Insurance Fund  
7           shall be available to the Corporation for use  
8           with respect to insured depository institutions  
9           the deposits of which are insured by the De-  
10          posit Insurance Fund.

11          “(C) LIMITATION ON USE.—Notwith-  
12          standing any provision of law other than section  
13          13(c)(4)(G), the Deposit Insurance Fund shall  
14          not be used in any manner to benefit any share-  
15          holder or affiliate (other than an insured depos-  
16          itory institution that receives assistance in ac-  
17          cordance with the provisions of this Act) of—

18                 “(i) any insured depository institution  
19                 for which the Corporation has been ap-  
20                 pointed conservator or receiver, in connec-  
21                 tion with any type of resolution by the  
22                 Corporation;

23                 “(ii) any other insured depository in-  
24                 stitution in default or in danger of default,

1 in connection with any type of resolution  
2 by the Corporation; or

3 “(iii) any insured depository institu-  
4 tion, in connection with the provision of as-  
5 sistance under this section or section 13  
6 with respect to such institution, except  
7 that this clause shall not prohibit any as-  
8 sistance to any insured depository institu-  
9 tion that is not in default, or that is not  
10 in danger of default, that is acquiring (as  
11 defined in section 13(f)(8)(B)) another in-  
12 sured depository institution.

13 “(D) DEPOSITS.—All amounts assessed  
14 against insured depository institutions by the  
15 Corporation shall be deposited into the Deposit  
16 Insurance Fund.”;

17 (C) by striking paragraphs (5), (6), and  
18 (7) of subsection (a); and

19 (D) by redesignating paragraph (8) of sub-  
20 section (a) as paragraph (5);

21 (12) in section 11(f)(1) (12 U.S.C. 1821(f)(1)),  
22 by striking “, except that—” and all that follows  
23 through the end of the paragraph and inserting a  
24 period;

1           (13) in section 11(i)(3) (12 U.S.C.  
2 1821(i)(3))—

3           (A) by striking subparagraph (B);

4           (B) by redesignating subparagraph (C) as  
5 subparagraph (B); and

6           (C) in subparagraph (B) (as so redesign-  
7 ated), by striking “subparagraphs (A) and  
8 (B)” and inserting “subparagraph (A)”;

9           (14) in section 11(p)(2)(B) (12 U.S.C.  
10 1821(p)(2)(B)), by striking “institution, any” and  
11 inserting “institution, the”;

12           (15) in section 11A(a) (12 U.S.C. 1821a(a))—

13           (A) in paragraph (2), by striking “**LIABIL-**  
14 **ITIES.—**” and all that follows through “Ex-  
15 cept” and inserting “**LIABILITIES.—**Except”;

16           (B) by striking paragraph (2)(B); and

17           (C) in paragraph (3), by striking “the  
18 Bank Insurance Fund, the Savings Association  
19 Insurance Fund,” and inserting “the Deposit  
20 Insurance Fund”;

21           (16) in section 11A(b) (12 U.S.C. 1821a(b)),  
22 by striking paragraph (4);

23           (17) in section 11A(f) (12 U.S.C. 1821a(f)), by  
24 striking “Savings Association Insurance Fund” and  
25 inserting “Deposit Insurance Fund”;

1           (18) in section 12(f)(4)(E)(iv) (12 U.S.C.  
2           1822(f)(4)(E)(iv)), by striking “Federal deposit in-  
3           surance funds” and inserting “the Deposit Insur-  
4           ance Fund (or any predecessor deposit insurance  
5           fund)”;

6           (19) in section 13 (12 U.S.C. 1823)—

7           (A) by striking “deposit insurance fund”  
8           each place that term appears and inserting  
9           “Deposit Insurance Fund”;

10          (B) in subsection (a)(1), by striking “Bank  
11          Insurance Fund, the Savings Association Insur-  
12          ance Fund,” and inserting “Deposit Insurance  
13          Fund”;

14          (C) in subsection (c)(4)(E)—

15           (i) in the subparagraph heading, by  
16           striking “funds” and inserting “fund”; and

17           (ii) in clause (i), by striking “any in-  
18           surance fund” and inserting “the Deposit  
19           Insurance Fund”;

20          (D) in subsection (c)(4)(G)(ii)—

21           (i) by striking “appropriate insurance  
22           fund” and inserting “Deposit Insurance  
23           Fund”;

24           (ii) by striking “the members of the  
25           insurance fund (of which such institution

1 is a member)” and inserting “insured de-  
2 pository institutions”;

3 (iii) by striking “each member’s” and  
4 inserting “each insured depository institu-  
5 tion’s”; and

6 (iv) by striking “the member’s” each  
7 place that term appears and inserting “the  
8 institution’s”;

9 (E) in subsection (c), by striking para-  
10 graph (11);

11 (F) in subsection (h), by striking “Bank  
12 Insurance Fund” and inserting “Deposit Insur-  
13 ance Fund”;

14 (G) in subsection (k)(4)(B)(i), by striking  
15 “Savings Association Insurance Fund member”  
16 and inserting “savings association”; and

17 (H) in subsection (k)(5)(A), by striking  
18 “Savings Association Insurance Fund mem-  
19 bers” and inserting “savings associations”;

20 (20) in section 14(a) (12 U.S.C. 1824(a)), in  
21 the 5th sentence—

22 (A) by striking “Bank Insurance Fund or  
23 the Savings Association Insurance Fund” and  
24 inserting “Deposit Insurance Fund”; and

1 (B) by striking “each such fund” and in-  
2 serting “the Deposit Insurance Fund”;

3 (21) in section 14(b) (12 U.S.C. 1824(b)), by  
4 striking “Bank Insurance Fund or Savings Associa-  
5 tion Insurance Fund” and inserting “Deposit Insur-  
6 ance Fund”;

7 (22) in section 14(c) (12 U.S.C. 1824(c)), by  
8 striking paragraph (3);

9 (23) in section 14(d) (12 U.S.C. 1824(d))—

10 (A) by striking “Bank Insurance Fund  
11 member” each place that term appears and in-  
12 serting “insured depository institution”;

13 (B) by striking “Bank Insurance Fund  
14 members” each place that term appears and in-  
15 serting “insured depository institutions”;

16 (C) by striking “Bank Insurance Fund”  
17 each place that term appears (other than in  
18 connection with a reference to a term amended  
19 by subparagraph (A) or (B) of this paragraph)  
20 and inserting “Deposit Insurance Fund”;

21 (D) by striking the subsection heading and  
22 inserting the following:

23 “(d) BORROWING FOR THE DEPOSIT INSURANCE  
24 FUND FROM INSURED DEPOSITORY INSTITUTIONS.—”;

1           (E) in paragraph (3), in the paragraph  
2 heading, by striking “BIF” and inserting “THE  
3 DEPOSIT INSURANCE FUND”; and

4           (F) in paragraph (5), in the paragraph  
5 heading, by striking “BIF MEMBERS” and in-  
6 serting “INSURED DEPOSITORY INSTITUTIONS”;

7           (24) in section 14 (12 U.S.C. 1824), by adding  
8 at the end the following new subsection:

9           “(e) BORROWING FOR THE DEPOSIT INSURANCE  
10 FUND FROM FEDERAL HOME LOAN BANKS.—

11           “(1) IN GENERAL.—The Corporation may bor-  
12 row from the Federal home loan banks, with the  
13 concurrence of the Federal Housing Finance Board,  
14 such funds as the Corporation considers necessary  
15 for the use of the Deposit Insurance Fund.

16           “(2) TERMS AND CONDITIONS.—Any loan from  
17 any Federal home loan bank under paragraph (1) to  
18 the Deposit Insurance Fund shall—

19           “(A) bear a rate of interest of not less  
20 than the current marginal cost of funds to that  
21 bank, taking into account the maturities in-  
22 volved;

23           “(B) be adequately secured, as determined  
24 by the Federal Housing Finance Board;

1           “(C) be a direct liability of the Deposit In-  
2           surance Fund; and

3           “(D) be subject to the limitations of sec-  
4           tion 15(c).”;

5           (25) in section 15(c)(5) (12 U.S.C.  
6           1825(c)(5))—

7           (A) by striking “the Bank Insurance Fund  
8           or Savings Association Insurance Fund, respec-  
9           tively” each place that term appears and insert-  
10          ing “the Deposit Insurance Fund”; and

11          (B) in subparagraph (B), by striking “the  
12          Bank Insurance Fund or the Savings Associa-  
13          tion Insurance Fund, respectively” and insert-  
14          ing “the Deposit Insurance Fund”;

15          (26) in section 17(a) (12 U.S.C. 1827(a))—

16          (A) in the subsection heading, by striking  
17          “BIF, SAIF,” and inserting “THE DEPOSIT IN-  
18          SURANCE FUND”; and

19          (B) in paragraph (1)—

20                  (i) by striking “the Bank Insurance  
21                  Fund, the Savings Association Insurance  
22                  Fund,” each place that term appears and  
23                  inserting “the Deposit Insurance Fund”;  
24                  and

1 (ii) in subparagraph (D), by striking  
2 “each insurance fund” and inserting “the  
3 Deposit Insurance Fund”;

4 (27) in section 17(d) (12 U.S.C. 1827(d)), by  
5 striking “, the Bank Insurance Fund, the Savings  
6 Association Insurance Fund,” each place that term  
7 appears and inserting “the Deposit Insurance  
8 Fund”;

9 (28) in section 18(m)(3) (12 U.S.C.  
10 1828(m)(3))—

11 (A) by striking “Savings Association In-  
12 surance Fund” in the 1st sentence of subpara-  
13 graph (A) and inserting “Deposit Insurance  
14 Fund”;

15 (B) by striking “Savings Association In-  
16 surance Fund member” in the last sentence of  
17 subparagraph (A) and inserting “savings asso-  
18 ciation”; and

19 (C) by striking “Savings Association Insur-  
20 ance Fund or the Bank Insurance Fund” in  
21 subparagraph (C) and inserting “Deposit Insur-  
22 ance Fund”;

23 (29) in section 18(o) (12 U.S.C. 1828(o)), by  
24 striking “deposit insurance funds” and “deposit in-

1 insurance fund” each place those terms appear and in-  
2 sserting “Deposit Insurance Fund”;

3 (30) in section 18(p) (12 U.S.C. 1828(p)), by  
4 striking “deposit insurance funds” and inserting  
5 “Deposit Insurance Fund”;

6 (31) in section 24 (12 U.S.C. 1831a)—

7 (A) in subsections (a)(1) and (d)(1)(A), by  
8 striking “appropriate deposit insurance fund”  
9 each place that term appears and inserting  
10 “Deposit Insurance Fund”;

11 (B) in subsection (e)(2)(A), by striking  
12 “risk to” and all that follows through the pe-  
13 riod and inserting “risk to the Deposit Insur-  
14 ance Fund.”; and

15 (C) in subsections (e)(2)(B)(ii) and  
16 (f)(6)(B), by striking “the insurance fund of  
17 which such bank is a member” each place that  
18 term appears and inserting “the Deposit Insur-  
19 ance Fund”;

20 (32) in section 28 (12 U.S.C. 1831e), by strik-  
21 ing “affected deposit insurance fund” each place  
22 that term appears and inserting “Deposit Insurance  
23 Fund”;

24 (33) by striking section 31 (12 U.S.C. 1831h);

1           (34) in section 36(i)(3) (12 U.S.C.  
2 1831m(i)(3)), by striking “affected deposit insur-  
3 ance fund” and inserting “Deposit Insurance  
4 Fund”;

5           (35) in section 37(a)(1)(C) (12 U.S.C.  
6 1831n(a)(1)(C)), by striking “insurance funds” and  
7 inserting “Deposit Insurance Fund”;

8           (36) in section 38 (12 U.S.C. 1831o), by strik-  
9 ing “the deposit insurance fund” each place that  
10 term appears and inserting “the Deposit Insurance  
11 Fund”;

12           (37) in section 38(a) (12 U.S.C. 1831o(a)), in  
13 the subsection heading, by striking “FUNDS” and in-  
14 serting “FUND”;

15           (38) in section 38(k) (12 U.S.C. 1831o(k))—

16           (A) in paragraph (1), by striking “a de-  
17 posit insurance fund” and inserting “the De-  
18 posit Insurance Fund”;

19           (B) in paragraph (2), by striking “A de-  
20 posit insurance fund” and inserting “The De-  
21 posit Insurance Fund”; and

22           (C) in paragraphs (2)(A) and (3)(B), by  
23 striking “the deposit insurance fund’s outlays”  
24 each place that term appears and inserting “the  
25 outlays of the Deposit Insurance Fund”; and

1 (39) in section 38(o) (12 U.S.C. 1831o(o))—

2 (A) by striking “**ASSOCIATIONS.—**” and  
3 all that follows through “Subsections (e)(2)”  
4 and inserting “**ASSOCIATIONS.—**Subsections  
5 (e)(2)”;

6 (B) by redesignating subparagraphs (A),  
7 (B), and (C) as paragraphs (1), (2), and (3),  
8 respectively, and moving the margins 2 ems to  
9 the left; and

10 (C) in paragraph (1) (as so redesignated),  
11 by redesignating clauses (i) and (ii) as subpara-  
12 graphs (A) and (B), respectively, and moving  
13 the margins 2 ems to the left.

14 (b) **EFFECTIVE DATE.**—This section and the amend-  
15 ments made by this section shall take effect on the day  
16 of the merger of the Bank Insurance Fund and the Sav-  
17 ings Association Insurance Fund pursuant to the Federal  
18 Deposit Insurance Reform Act of 2005.

19 **SEC. 9. OTHER TECHNICAL AND CONFORMING AMEND-**  
20 **MENTS RELATING TO THE MERGER OF THE**  
21 **BIF AND SAIF.**

22 (a) **SECTION 5136 OF THE REVISED STATUTES.**—  
23 The paragraph designated the “Eleventh” of section 5136  
24 of the Revised Statutes of the United States (12 U.S.C.  
25 24) is amended in the 5th sentence, by striking “affected

1 deposit insurance fund” and inserting “Deposit Insurance  
2 Fund”.

3 (b) INVESTMENTS PROMOTING PUBLIC WELFARE;  
4 LIMITATIONS ON AGGREGATE INVESTMENTS.—The 23d  
5 undesignated paragraph of section 9 of the Federal Re-  
6 serve Act (12 U.S.C. 338a) is amended in the 4th sen-  
7 tence, by striking “affected deposit insurance fund” and  
8 inserting “Deposit Insurance Fund”.

9 (c) ADVANCES TO CRITICALLY UNDERCAPITALIZED  
10 DEPOSITORY INSTITUTIONS.—Section 10B(b)(3)(A)(ii) of  
11 the Federal Reserve Act (12 U.S.C. 347b(b)(3)(A)(ii)) is  
12 amended by striking “any deposit insurance fund in” and  
13 inserting “the Deposit Insurance Fund of”.

14 (d) AMENDMENTS TO THE FEDERAL HOME LOAN  
15 BANK ACT.—The Federal Home Loan Bank Act (12  
16 U.S.C. 1421 et seq.) is amended—

17 (1) in section 11(k) (12 U.S.C. 1431(k))—

18 (A) in the subsection heading, by striking  
19 “SAIF” and inserting “THE DEPOSIT INSUR-  
20 ANCE FUND”; and

21 (B) by striking “Savings Association In-  
22 surance Fund” each place such term appears  
23 and inserting “Deposit Insurance Fund”;

24 (2) in section 21 (12 U.S.C. 1441)—

1 (A) in subsection (f)(2), by striking “, ex-  
2 cept that” and all that follows through the end  
3 of the paragraph and inserting a period; and

4 (B) in subsection (k), by striking para-  
5 graph (4);

6 (3) in section 21A(b)(4)(B) (12 U.S.C.  
7 1441a(b)(4)(B)), by striking “affected deposit insur-  
8 ance fund” and inserting “Deposit Insurance  
9 Fund”;

10 (4) in section 21A(b)(6)(B) (12 U.S.C.  
11 1441a(b)(6)(B))—

12 (A) in the subparagraph heading, by strik-  
13 ing “SAIF-INSURED BANKS” and inserting  
14 “CHARTER CONVERSIONS”; and

15 (B) by striking “Savings Association In-  
16 surance Fund member” and inserting “savings  
17 association”;

18 (5) in section 21A(b)(10)(A)(iv)(II) (12 U.S.C.  
19 1441a(b)(10)(A)(iv)(II)), by striking “Savings Asso-  
20 ciation Insurance Fund” and inserting “Deposit In-  
21 surance Fund”;

22 (6) in section 21A(n)(6)(E)(iv) (12 U.S.C.  
23 1441(n)(6)(E)(iv)), by striking “Federal deposit in-  
24 surance funds” and inserting “the Deposit Insur-  
25 ance Fund”;

1 (7) in section 21B(e) (12 U.S.C. 1441b(e))—

2 (A) in paragraph (5), by inserting “as of  
3 the date of funding” after “Savings Association  
4 Insurance Fund members” each place that term  
5 appears; and

6 (B) by striking paragraphs (7) and (8);  
7 and

8 (8) in section 21B(k) (12 U.S.C. 1441b(k))—

9 (A) by inserting before the colon “, the fol-  
10 lowing definitions shall apply”;

11 (B) by striking paragraph (8); and

12 (C) by redesignating paragraphs (9) and  
13 (10) as paragraphs (8) and (9), respectively.

14 (e) AMENDMENTS TO THE HOME OWNERS’ LOAN  
15 ACT.—The Home Owners’ Loan Act (12 U.S.C. 1461 et  
16 seq.) is amended—

17 (1) in section 5 (12 U.S.C. 1464)—

18 (A) in subsection (e)(5)(A), by striking  
19 “that is a member of the Bank Insurance  
20 Fund”;

21 (B) in subsection (e)(6), by striking “As  
22 used in this subsection—” and inserting “For  
23 purposes of this subsection, the following defini-  
24 tions shall apply:”;

1 (C) in subsection (o)(1), by striking “that  
2 is a Bank Insurance Fund member”;

3 (D) in subsection (o)(2)(A), by striking “a  
4 Bank Insurance Fund member until such time  
5 as it changes its status to a Savings Association  
6 Insurance Fund member” and inserting “in-  
7 sured by the Deposit Insurance Fund”;

8 (E) in subsection (t)(5)(D)(iii)(II), by  
9 striking “affected deposit insurance fund” and  
10 inserting “Deposit Insurance Fund”;

11 (F) in subsection (t)(7)(C)(i)(I), by strik-  
12 ing “affected deposit insurance fund” and in-  
13 serting “Deposit Insurance Fund”; and

14 (G) in subsection (v)(2)(A)(i), by striking  
15 “the Savings Association Insurance Fund” and  
16 inserting “or the Deposit Insurance Fund”; and  
17 (2) in section 10 (12 U.S.C. 1467a)—

18 (A) in subsection (e)(6)(D), by striking  
19 “this title” and inserting “this Act”;

20 (B) in subsection (e)(1)(B), by striking  
21 “Savings Association Insurance Fund or Bank  
22 Insurance Fund” and inserting “Deposit Insur-  
23 ance Fund”;

24 (C) in subsection (e)(2), by striking “Sav-  
25 ings Association Insurance Fund or the Bank

1 Insurance Fund” and inserting “Deposit Insur-  
2 ance Fund”;

3 (D) in subsection (e)(4)(B), by striking  
4 “subsection (1)” and inserting “subsection (l)”;

5 (E) in subsection (g)(3)(A), by striking  
6 “(5) of this section” and inserting “(5) of this  
7 subsection”;

8 (F) in subsection (i), by redesignating  
9 paragraph (5) as paragraph (4);

10 (G) in subsection (m)(3), by striking sub-  
11 paragraph (E) and by redesignating subpara-  
12 graphs (F), (G), and (H) as subparagraphs  
13 (E), (F), and (G), respectively;

14 (H) in subsection (m)(7)(A), by striking  
15 “during period” and inserting “during the pe-  
16 riod”; and

17 (I) in subsection (o)(3)(D), by striking  
18 “sections 5(s) and (t) of this Act” and inserting  
19 “subsections (s) and (t) of section 5”.

20 (f) AMENDMENTS TO THE NATIONAL HOUSING  
21 ACT.—The National Housing Act (12 U.S.C. 1701 et  
22 seq.) is amended—

23 (1) in section 317(b)(1)(B) (12 U.S.C.  
24 1723i(b)(1)(B)), by striking “Bank Insurance Fund  
25 for banks or through the Savings Association Insur-

1       ance Fund for savings associations” and inserting  
2       “Deposit Insurance Fund”; and

3               (2) in section 536(b)(1)(B)(ii) (12 U.S.C.  
4       1735f–14(b)(1)(B)(ii)), by striking “Bank Insurance  
5       Fund for banks and through the Savings Association  
6       Insurance Fund for savings associations” and insert-  
7       ing “Deposit Insurance Fund”.

8       (g) AMENDMENTS TO THE FINANCIAL INSTITUTIONS  
9       REFORM, RECOVERY, AND ENFORCEMENT ACT OF  
10      1989.—The Financial Institutions Reform, Recovery, and  
11      Enforcement Act of 1989 (12 U.S.C. 1811 note) is  
12      amended—

13              (1) in section 951(b)(3)(B) (12 U.S.C.  
14      1833a(b)(3)(B)), by inserting “and after the merger  
15      of such funds, the Deposit Insurance Fund,” after  
16      “the Savings Association Insurance Fund,”; and

17              (2) in section 1112(c)(1)(B) (12 U.S.C.  
18      3341(c)(1)(B)), by striking “Bank Insurance Fund,  
19      the Savings Association Insurance Fund,” and in-  
20      serting “Deposit Insurance Fund”.

21      (h) AMENDMENT TO THE BANK HOLDING COMPANY  
22      ACT OF 1956.—The Bank Holding Company Act of 1956  
23      (12 U.S.C. 1841 et seq.) is amended—

1           (1) in section 2(j)(2) (12 U.S.C. 1841(j)(2)), by  
2           striking “Savings Association Insurance Fund” and  
3           inserting “Deposit Insurance Fund”; and

4           (2) in section 3(d)(1)(D)(iii) (12 U.S.C.  
5           1842(d)(1)(D)(iii)), by striking “appropriate deposit  
6           insurance fund” and inserting “Deposit Insurance  
7           Fund”.

8           (i) AMENDMENTS TO THE GRAMM-LEACH-BLILEY  
9           ACT.—Section 114 of the Gramm-Leach-Bliley Act (12  
10          U.S.C. 1828a) is amended by striking “any Federal de-  
11          posit insurance fund” in subsection (a)(1)(B), paragraphs  
12          (2)(B) and (4)(B) of subsection (b), and subsection  
13          (c)(1)(B), each place that term appears and inserting “the  
14          Deposit Insurance Fund”.

15          (j) EFFECTIVE DATE.—This section and the amend-  
16          ments made by this section shall take effect on the day  
17          of the merger of the Bank Insurance Fund and the Sav-  
18          ings Association Insurance Fund pursuant to the Federal  
19          Deposit Insurance Reform Act of 2005.

          Passed the House of Representatives December 19  
(legislative day, December 18), 2005.

Attest:

KAREN L. HAAS,

*Clerk.*