

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

# H. R. 1471

To provide for sufficient funding to cover the costs of the Financing Corporation, to provide funds to carry out the purposes of the Savings Association Insurance Fund, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 1995

Mr. LAFALCE introduced the following bill; which was referred to the  
Committee on Banking and Financial Services

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## A BILL

To provide for sufficient funding to cover the costs of the Financing Corporation, to provide funds to carry out the purposes of the Savings Association Insurance Fund, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “Financing Corporation  
5        and Savings Association Insurance Fund Amendments of  
6        1995”.

1 **SEC. 2. AVAILABILITY OF RTC FUNDS TO RECAPITALIZE**

2 **SAIF.**

3 (a) IN GENERAL.—Section 11(a)(6)(F) of the Fed-  
4 eral Deposit Insurance Act (12 U.S.C. 1821(a)(6)(F)) is  
5 amended in the provisions of such subparagraph preceding  
6 clause (i)—

7 (1) by inserting “to cover losses incurred, or  
8 which can reasonably be expected to be incurred, by  
9 the Fund or to increase the reserve ratio of the  
10 Fund” after “as needed by the Fund”; and

11 (2) by inserting a period after “not needed by  
12 the Resolution Trust Corporation” and striking ev-  
13 erything that follows through the end of the sub-  
14 paragraph.

15 (b) TECHNICAL AND CONFORMING AMENDMENT.—  
16 Section 11(a)(6)(K) of the Federal Deposit Insurance Act  
17 (12 U.S.C. 1821(a)(6)(K)) is amended by striking “to  
18 cover losses incurred by the Fund” and inserting “to cover  
19 losses incurred, or which can reasonably be expected to  
20 be incurred, by the Fund or to increase the reserve ratio  
21 of the Fund”.

22 **SEC. 3. SAIF PAYMENTS TO FICO.**

23 (a) IN GENERAL.—Section 21(f) of the Federal  
24 Home Loan Bank Act (12 U.S.C. 1441(f)) is amended  
25 by redesignating paragraph (3) as paragraph (4) and in-  
26 serting after paragraph (2) the following new paragraph:

1           “(3) PAYMENTS FROM SAIF.—In addition to the  
2 amounts available pursuant to paragraphs (1) and  
3 (2), the Federal Deposit Insurance Corporation shall  
4 make available to the Financing Corporation such  
5 amounts as may be prudently transferred from the  
6 Savings Association Insurance Fund, taking into ac-  
7 count funds available to such Fund pursuant to sec-  
8 tion 11(a)(6)(F) of the Federal Deposit Insurance  
9 Act, to cover the interest payments, issuance costs,  
10 and custodial fees on obligations issued by the Fi-  
11 nancing Corporation.”.

12           (b) TECHNICAL AND CONFORMING AMENDMENT.—  
13 Section 11(a)(6) of the Federal Deposit Insurance Act (12  
14 U.S.C. 1821(a)(6)) is amended by adding at the end the  
15 following new subparagraph:

16                   “(L) AMOUNTS AVAILABLE FOR PAYMENTS  
17 TO FICO.—Notwithstanding any other provision  
18 of this subsection, amounts in the Savings As-  
19 sociation Insurance Fund shall be available for  
20 payment to the Financing Corporation in ac-  
21 cordance with section 21(f)(3) of the Federal  
22 Home Loan Bank Act.”.

1 **SEC. 4. REPEAL OF MINIMUM SAIF ASSESSMENT RULE.**

2 Section 7(b)(2) of the Federal Deposit Insurance Act  
3 (12 U.S.C. 1817(b)(2)) is amended by striking subpara-  
4 graph (E).

5 **SEC. 5. CLARIFICATION THAT CERTAIN INSTITUTIONS IN-**  
6 **SURED BY THE SAIF ARE SUBJECT TO FICO**  
7 **ASSESSMENTS.**

8 Section 21(f)(2) of the Federal Home Loan Bank Act  
9 (12 U.S.C. 1441(f)(2)) is amended by inserting after  
10 “Savings Association Insurance Fund member” the fol-  
11 lowing: “, including any Savings Association Insurance  
12 Fund member referred to in section 5(d)(2)(G) of the Fed-  
13 eral Deposit Insurance Act and, in the case of any Bank  
14 Insurance Fund member which has deposits which are  
15 treated (under section 5(d)(3) of such Act) as deposits  
16 which are insured by the Savings Association Insurance  
17 Fund, the adjusted attributable deposit amount with re-  
18 spect to such member as determined under subparagraph  
19 (C) of section 5(e)(3) of such Act for purposes of subpara-  
20 graph (B)(i) of such section,”.

21 **SEC. 6. LIMIT ON DIFFERENTIAL BETWEEN ASSESSMENT**  
22 **RATES IMPOSED ON FORMER BIF MEMBERS**  
23 **AND FORMER SAIF MEMBERS.**

24 Section 7(b)(2) of the Federal Deposit Insurance Act  
25 (12 U.S.C. 1817(b)(2)) is amended by inserting after  
26 paragraph (G) the following new subparagraph:

1           “(H) CAP ON DIFFERENTIAL BETWEEN  
2           FORMER BIF AND SAIF MEMBERS.—The aver-  
3           age assessment rate under the risk-based as-  
4           sessment system for insured depository institu-  
5           tions which, as of December 31, 1994, were  
6           Savings Association Insurance Fund members,  
7           including the special assessment under para-  
8           graph (9), shall not exceed the average assess-  
9           ment rate under the risk-based assessment sys-  
10          tem for insured depository institutions which,  
11          as of December 31, 1994, were Bank Insurance  
12          Fund members by more than 9 basis points.”.

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