

104TH CONGRESS
1ST SESSION

H. R. 1480

To stabilize the condition of the Savings Association Insurance Fund, and
for other purposes.

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

A BILL

To stabilize the condition 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 “Savings Association
5 Insurance Fund Stabilization Act of 1995”.

6 **SEC. 2. 1-TIME SPECIAL SAIF CAPITALIZATION ASSESS-**
7 **MENT.**

8 Section 7(b) of the Federal Deposit Insurance Act
9 (12 U.S.C. 1817(b)) is amended by adding at the end the
10 following new paragraph:

1 “(8) SPECIAL 1-TIME ASSESSMENT TO RECAPI-
2 TALIZE SAIF.—

3 “(A) IN GENERAL.—The Corporation may,
4 in the discretion of the Board of Directors, im-
5 pose a special assessment on each Savings As-
6 sociation Insurance Fund member in an
7 amount not greater than 0.40 percent of the as-
8 sessment base, as of January 1, 1995, on which
9 assessments are imposed under the risk-based
10 assessment system established pursuant to
11 paragraph (1).

12 “(B) DEPOSIT OF ASSESSMENT IN SAIF.—
13 The proceeds of any assessment imposed under
14 subparagraph (A) shall be deposited in the Sav-
15 ings Association Insurance Fund.

16 “(C) IMPOSITION OVER PERIOD OF
17 YEARS.—The assessment authorized under sub-
18 paragraph (A) may be imposed incrementally
19 over such period of years as the Board of Di-
20 rectors may determine to be appropriate, except
21 the larger percentage of any such incremental
22 assessment shall be allocated to the first year of
23 the effective period for such assessment.

24 “(D) ABATEMENT FOR TROUBLED INSTI-
25 TUTIONS.—The Board of Directors may abate

1 any portion of any assessment under this para-
2 graph in the case of any undercapitalized insti-
3 tution or any institution which would become
4 undercapitalized as a result of the imposition of
5 such assessment.”.

6 **SEC. 3. AVAILABILITY OF RTC FUNDS AS BACKSTOP FOR**
7 **SAIF LOSSES.**

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

12 (1) by inserting “to cover losses which have
13 been incurred, or can reasonably be expected to be
14 incurred, by the Fund” after “as needed by the
15 Fund”; and

16 (2) by inserting a period after “not needed by
17 the Resolution Trust Corporation” and striking ev-
18 erything that follows through the end of the sub-
19 paragraph.

20 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

21 (1) Section 11(a)(6)(F) of the Federal Deposit
22 Insurance Act (12 U.S.C. 1821(a)(6)(F)) is amend-
23 ed by striking “At any time before the end of the
24 2-year period beginning on the date of the termi-
25 nation of the Resolution Trust Corporation,” and in-

1 serting “At any time before the Savings Association
2 Insurance Fund first meets or exceeds the des-
3 ignated reserve ratio applicable to such fund,”.

4 (2) Section 11(a)(6)(K) of the Federal Deposit
5 Insurance Act (12 U.S.C. 1821(a)(6)(K)) is amend-
6 ed by striking “to cover losses incurred by the
7 Fund” and inserting “to carry out the purposes of
8 this Act”.

9 **SEC. 4. FICO PAYMENTS BY ALL FDIC-INSURED DEPOSI-**
10 **TORY INSTITUTIONS.**

11 Section 21(f)(2) of the Federal Home Loan Bank Act
12 (12 U.S.C. 1441(f)(2)) is amended—

13 (1) in the portion of such paragraph preceding
14 subparagraph (A)—

15 (A) by striking “each Savings Association
16 Insurance Fund member” and inserting “each
17 insured depository institution (as defined in sec-
18 tion 3(c)(2) of the Federal Deposit Insurance
19 Act); and

20 (B) by striking “such member” and insert-
21 ing “such institution”; and

22 (2) in subparagraph (A), by striking “Savings
23 Association Insurance Fund members” and inserting
24 “insured depository institutions”.

1 **SEC. 5. 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).

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