

104TH CONGRESS
2D SESSION

H. R. 3302

To amend the Federal Deposit Insurance Act to provide additional deposit insurance coverage for accounts at depository institutions which reduce net fee income in any year by 50 percent or more, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 23, 1996

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

A BILL

To amend the Federal Deposit Insurance Act to provide additional deposit insurance coverage for accounts at depository institutions which reduce net fee income in any year by 50 percent or more, 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 “Bank Fee Reduction
5 Incentive Act of 1996”.

1 **SEC. 2. INCREASE IN DEPOSIT INSURANCE FOR DEPOSITORY INSTITUTIONS WHICH REDUCE FEES.**
2

3 Section 11(a) of the Federal Deposit Insurance Act
4 (12 U.S.C. 1922(a)) is amended by adding at the end the
5 following new paragraph:

6 “(9) INCREASED DEPOSIT INSURANCE FOR INSTITUTIONS WHICH REDUCE FEES.—
7

8 “(A) IN GENERAL.—If the Corporation determines, in accordance with such procedures as
9 the Corporation shall establish, that the net fee
10 income of an insured depository institution is
11 reduced by 50 percent or more over any 2 consecutive
12 semiannual periods due to a reduction
13 in the number and amount of fees imposed by
14 the institution in connection with consumer accounts
15 and consumer transactions, paragraphs
16 (1)(B), (2)(A), and (3) and section 7(i) shall be
17 applied, with respect to such institution, during
18 the 2 semiannual periods which begin after the
19 date of such determination by substituting
20 ‘\$105,000’ for ‘\$100,000’ each place such term
21 appears in such paragraphs and section.
22

23 “(B) EXCEPTION AUTHORIZED.—The Corporation may waive the application of subparagraph
24 (A) to any insured depository institution
25 if the Corporation determines that the applica-
26

1 tion of such subparagraph to such institution
2 would create a disproportionate increase in risk
3 to a deposit insurance fund.”.

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