

AMENDMENT TO THE RULES COMMITTEE PRINT

119–35

OFFERED BY MS. WATERS OF CALIFORNIA

Add at the end the following:

**1 TITLE IX—EMPLOYEE PAY-
2 CHECK AND SMALL BUSINESS
3 PROTECTION**

**4 SEC. 901. EXPANDED INSURANCE COVERAGE FOR BUSI-
5 NESS PAYMENT ACCOUNTS.**

6 (a) INSURED DEPOSITORY INSTITUTIONS.—

7 (1) IN GENERAL.—Section 11(a) of the Federal
8 Deposit Insurance Act (12 U.S.C. 1821(a)) is
9 amended—

10 (A) in paragraph (1)(B), by striking “The
11 net amount” and inserting “Except as provided
12 in paragraph (6), the net amount”; and

13 (B) by adding at the end the following:

14 “(6) EXPANDED INSURANCE COVERAGE FOR
15 BUSINESS PAYMENT ACCOUNTS.—

16 “(A) INSURANCE REQUIRED.—Notwith-
17 standing paragraph (1), the Corporation shall
18 establish a program under which the Corpora-
19 tion shall fully insure the deposits that any de-

1 positor at an insured depository institution
2 maintains in a covered transaction account in
3 accordance with subparagraph (B).

4 “(B) AMOUNT.—The Corporation may
5 only provide insurance for deposits under sub-
6 paragraph (A) in an amount of net deposits up
7 to \$100,000,000 per depositor per depository
8 institution.

9 “(C) EXCLUSION FROM NET AMOUNT OF
10 INSURED DEPOSITS.—Any amount of deposits
11 insured under this paragraph shall not be taken
12 into account when computing the net amount
13 due to such depositor under paragraph (1)(B).

14 “(D) COVERED TRANSACTION ACCOUNT
15 DEFINED.—In this paragraph, the term ‘cov-
16 ered transaction account’ means a deposit or
17 account maintained at an insured depository in-
18 stitution—

19 “(i) by a business, non-profit, munici-
20 pality, or similar organization;

21 “(ii) used predominantly for trans-
22 actions, including payroll payments, vendor
23 payments, and any other regular payments
24 made to support the work or mission of the
25 account holder; and

1 “(iii) that is non-interest bearing or
2 that pays interest materially below pre-
3 vailing market rates, as determined by the
4 Corporation.”.

5 (2) APPLICABILITY.—The amendments made
6 by this subsection shall apply with respect to a cov-
7 ered transaction account (as defined in paragraph
8 (6)(D) of section 11(a) of the Federal Deposit In-
9 surance Act, as added by this section) on the date
10 of the issuance of a final rule described in subsection
11 (d).

12 (b) CREDIT UNIONS.—

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

16 (A) in paragraph (1)(A), by inserting “and
17 except as provided in paragraph (7)” after
18 “paragraph (2)”; and

19 (B) by adding at the end the following:

20 “(7) EXPANDED INSURANCE COVERAGE FOR
21 BUSINESS PAYMENT ACCOUNTS.—

22 “(A) INSURANCE REQUIRED.—Notwith-
23 standing paragraph (1), the Board shall estab-
24 lish a program under which the Board shall
25 fully insure the deposits or shares in members

1 accounts of an insured credit union that are
2 covered transaction accounts in accordance with
3 subparagraph (B).

4 “(B) AMOUNT.—The Board may only pro-
5 vide insurance under subparagraph (A) in an
6 amount of the net deposits or shares up to
7 \$100,000,000 per member per insured credit
8 union.

9 “(C) EXCLUSION FROM NET AMOUNT OF
10 INSURED DEPOSITS OR SHARES.—Any amount
11 of deposits or shares insured under this para-
12 graph shall not be taken into account when
13 computing the net amount due under paragraph
14 (1)(A).

15 “(D) COVERED TRANSACTION ACCOUNT
16 DEFINED.—In this paragraph, the term ‘cov-
17 ered transaction account’ means a deposit,
18 share, or account maintained at an insured
19 credit union—

20 “(i) by a business, non-profit, munici-
21 pality, or similar organization;

22 “(ii) used predominantly for trans-
23 actions, including payroll payments, vendor
24 payments, and any other regular payments

1 made to support the work or mission of the
2 account holder; and
3 “(iii) that is non-interest bearing or
4 that pays interest materially below pre-
5 vailing market rates, as determined by the
6 Board.”.

7 (2) APPLICABILITY.—The amendments made
8 by this subsection shall apply with respect to a cov-
9 ered transaction account (as defined in section
10 207(k)(7)(D) of the Federal Credit Union Act, as
11 added by this section) on the date of the issuance of
12 a final rule described in subsection (d).

13 (c) DATA COLLECTION AND ANALYSIS.—

14 (1) IN GENERAL.—

15 (A) FDIC.—Not later than 90 days after
16 the date of the enactment of this Act, the Fed-
17 eral Deposit Insurance Corporation shall begin
18 collecting and analyzing data from insured de-
19 pository institutions to establish requirements
20 for the program established under paragraph
21 (6) of section 11(a) of the Federal Deposit In-
22 surance Act, as added by this Act, including to
23 determine the eligibility of covered transaction
24 accounts and the amount of deposits to be in-
25 sured under such program, as appropriate.

1 (B) NCUA.—Not later than 90 days after
2 the date of the enactment of this Act, the Na-
3 tional Credit Union Administration Board shall
4 begin collecting and analyzing data from in-
5 sured credit unions to establish requirements
6 for the program established under paragraph
7 (7) of section 207(k) of the Federal Credit
8 Union Act, as added by this Act, including to
9 determine the eligibility of covered transaction
10 accounts and the amount of deposits or shares
11 to be insured under such program, as appro-
12 priate.

13 (2) ELEMENTS.—In establishing the eligibility
14 of covered transaction accounts and the amount of
15 deposits or shares to be insured as described in
16 paragraph (1), the Federal Deposit Insurance Cor-
17 poration and the National Credit Union Administra-
18 tion Board, respectively, shall consider the following:

19 (A) The eligibility of covered transaction
20 accounts and the maximum insurance amount
21 for such deposits or shares to promote safety
22 and soundness of insured depository institutions
23 and insured credit unions, as applicable.

24 (B) The eligibility of covered transaction
25 accounts and the maximum insurance amount

1 for such deposits or shares to promote stability
2 of the financial system of the United States.

3 (C) The eligibility of covered transaction
4 accounts and the maximum insurance amount
5 for such deposits or shares to promote a com-
6 petitive depository market structure that, as ap-
7 plicable, includes—

8 (i) minority depository institutions (as
9 defined in section 308 of the Financial In-
10 stitutions Reform, Recovery, and Enforce-
11 ment Act of 1989) and minority insured
12 credit unions;

13 (ii) rural depository institutions and
14 rural insured credit unions;

15 (iii) depository institutions and credit
16 unions that are community development fi-
17 nancial institutions (as defined in section
18 103(5) of the Riegle Community Develop-
19 ment and Regulatory Improvement Act of
20 1994); and

21 (iv) other large, small, and medium-
22 sized insured depository institutions and
23 insured credit unions.

24 (D) The eligibility of covered transaction
25 accounts and the maximum insurance amount

1 for such deposits or shares to ensure holders of
2 covered transaction accounts would be able to
3 meet payment obligations in a timely fashion,
4 including payroll and vendor payment obliga-
5 tions.

6 (E) The expected effect of assessment or
7 premium adjustments on insured depository in-
8 stitutions and insured credit unions, as applica-
9 ble.

10 (3) PUBLICATION.—Not later than 18 months
11 after the date of the enactment of this Act, the Fed-
12 eral Deposit Insurance Corporation and the National
13 Credit Union Administration Board shall—

14 (A) make publicly available a report with
15 detailed analyses conducted under this sub-
16 section, including aggregated data; and

17 (B) make available to the Committee on
18 Financial Services of the House of Representa-
19 tives and Committee on Banking, Housing, and
20 Urban Affairs of the Senate the data collected
21 under this subsection.

22 (d) RULEMAKING.—

23 (1) PROPOSED RULEMAKING.—

24 (A) IN GENERAL.—Not later than 18
25 months after the date of the enactment of this

1 Act, the Federal Deposit Insurance Corporation
2 and the National Credit Union Administration
3 Board shall each issue a proposed rule to carry
4 out the requirements of this section and the
5 amendments made by this section.

6 (B) ADDITIONAL REQUIREMENTS.—The
7 Federal Deposit Insurance Corporation and the
8 National Credit Union Administration Board
9 shall consult with the Board of Governors of
10 the Federal Reserve System and the Comp-
11 troller of the Currency before issuing a pro-
12 posed rule required under subparagraph (A).

13 (C) TESTIMONY.—The Chairperson of the
14 Federal Deposit Insurance Corporation and the
15 Chairman of the National Credit Union Admin-
16 istration Board shall testify before the Finan-
17 cial Services Committee of the House of Rep-
18 resentatives and Committee on Banking, Hous-
19 ing, and Urban Affairs of the Senate, at a time
20 determined by the Chairs of those Committees
21 that is after the date on which the proposed
22 rule described in subparagraph (A) is issued.

23 (2) FINAL RULEMAKING.—

24 (A) IN GENERAL.—Not later than 30
25 months after the date of the enactment of this

1 Act, the Federal Deposit Insurance Corporation
2 and the National Credit Union Administration
3 Board shall each issue a final rule to carry out
4 the requirements of this section and the amend-
5 ments made by this section.

6 (B) JOINT DETERMINATIONS REQUIRED.—
7 Each rule described under subparagraph (A)
8 shall contain the following, which shall be joint-
9 ly determined by the Federal Deposit Insurance
10 Corporation and the National Credit Union Ad-
11 ministration Board:

12 (i) A definition of the term “deposits”
13 and “deposits or shares” that applies to
14 both programs.

15 (ii) A maximum insurance amount for
16 deposits or shares held in a covered trans-
17 action account that applies to both pro-
18 grams.

19 (3) FAILURE TO ISSUE A FINAL RULE.—If the
20 Federal Deposit Insurance Corporation or the Na-
21 tional Credit Union Administration Board do not
22 issue a final rule required under paragraph (2) be-
23 fore the deadline described in that paragraph—

24 (A) the Chair of each agency failing to
25 issue a final rule shall—

1 (i) testify before the Committee on Fi-
2 nancial Services of the House of Rep-
3 resentatives and Committee on Banking,
4 Housing, and Urban Affairs of the Senate
5 regarding the reasons why the agency has
6 not yet issued a final rule; and

7 (ii) submit a report to such Commit-
8 tees that includes—

9 (I) an assessment of the benefits
10 and challenges posed by expanding de-
11 posit or share insurance as required,
12 as applicable, under the program es-
13 tablished under paragraph (6) of sec-
14 tion 11(a) of the Federal Deposit In-
15 surance Act (as added by this Act)
16 and the program established under
17 paragraph (7) of section 207(k) of the
18 Federal Credit Union Act (as added
19 by this Act); and

20 (II) any recommendations for ad-
21 ministrative or legislative modifica-
22 tions; and

23 (B) the Comptroller General of the United
24 State shall conduct a review of the reports re-
25 quired under subsection (c), along with any

1 other relevant data, and submit to Congress a
2 report on—

3 (i) the benefits and challenges posed
4 by—

5 (I) the program established
6 under paragraph (6) of section 11(a)
7 of the Federal Deposit Insurance Act,
8 as added by this Act; and

9 (II) the program established
10 under paragraph (7) of section 207(k)
11 of the Federal Credit Union Act, as
12 added by this Act; and

13 (ii) any recommendations for legisla-
14 tive or regulatory actions.

15 (e) EXTENSION OF DEPOSIT INSURANCE FUND AND
16 NATIONAL CREDIT UNION SHARE INSURANCE FUND
17 RESTORATION PLANS.—A Deposit Insurance Fund res-
18 toration plan (as defined under section 7(b)(3)(E) of the
19 Federal Deposit Insurance Act (12 U.S.C.
20 1817(b)(3)(E))) or a restoration plan for the National
21 Credit Union Share Insurance Fund (as described in sec-
22 tion 202(c)(2)(D) of the Federal Credit Union Act (12
23 U.S.C. 1782(c)(2)(D))) in effect on the date of the enact-
24 ment of this Act shall be extended for a period of 8 years

1 beginning on the effective date of a final rule issued by
2 the applicable agency pursuant to subsection (d).

3 **SEC. 902. TEMPORARY TRANSACTION ACCOUNT GUAR-**
4 **ANTEE PROGRAM.**

5 (a) INSURED DEPOSITORY INSTITUTIONS.—Section
6 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823)
7 is amended by adding at the end the following:

8 “(1) INSURANCE OF CERTAIN UNINSURED DEPOSITS
9 TO PRESERVE FINANCIAL STABILITY.—

10 “(1) ESTABLISHMENT OF PROGRAM FRAME-
11 WORK.—The Corporation shall, by rule, establish a
12 framework for a Temporary Transaction Account
13 Guarantee Program (the ‘Program’) under which
14 the Corporation fully insures the net amount any de-
15 positor at an insured depository institution main-
16 tains in a covered transaction account for a single
17 period not to exceed 180 days.

18 “(2) IMPLEMENTATION.—The Corporation may
19 implement the Program only if, upon the written
20 recommendation of the Board of Directors (upon a
21 vote of not less than two-thirds of the members of
22 the Board of Directors) and the Board of Governors
23 of the Federal Reserve System (upon a vote of not
24 less than two-thirds of the members of such Board),
25 the Secretary of the Treasury (in consultation with

1 the President) determines that the failure to imple-
2 ment the program would have serious adverse effects
3 on financial stability or economic conditions in the
4 United States.

5 “(3) ELIGIBILITY.—An insolvent insured depos-
6 itory institution is not eligible to be enrolled in the
7 Program.

8 “(4) FUNDING.—In implementing the Program,
9 the Corporation may—

10 “(A) establish assessments on insured de-
11 pository institutions that participate in the Pro-
12 gram; and

13 “(B) use amounts available in the Deposit
14 Insurance Fund.

15 “(5) EXTENSION.—The Corporation may ex-
16 tend the period described in paragraph (2) for an
17 additional 90 days if—

18 “(A) the Board of Directors (upon a vote
19 of not less than two-thirds of the members of
20 the Board of Directors), the Board of Gov-
21 ernors of the Federal Reserve System (upon a
22 vote of not less than two-thirds of the members
23 of such Board), and the Secretary (in consulta-
24 tion with the President) determines that the
25 failure to extend such program would have seri-

1 ous adverse effects on financial stability or eco-
2 nomic conditions in the United States; and

3 “(B) the Secretary of the Treasury sub-
4 mits to Congress a report containing data and
5 analysis, including data and analysis from the
6 Board of Directors and the Board of Governors
7 of the Federal Reserve System, justifying such
8 extension.

9 “(6) TESTIMONY.—Not later than 45 days after
10 any implementation of the Program, the Chairperson
11 of the Board of Directors, the Chairman of the
12 Board of Governors of the Federal Reserve System,
13 and the Secretary of the Treasury shall provide tes-
14 timony to the Committee on Financial Services Com-
15 mittee of the House of Representatives and the
16 Committee on Banking, Housing, and Urban Affairs
17 of the Senate describing the data, analysis, and jus-
18 tification for implementing the Program.

19 “(7) GAO REPORT.—Not later than 90 days
20 after any implementation of the Program, the Comp-
21 troller General of the United States shall submit to
22 Congress a report describing the implementation of
23 the Program.

24 “(8) COVERED TRANSACTION ACCOUNT DE-
25 FINED.—In this subsection, the term ‘covered trans-

1 action account’ means a transaction account that is
2 non-interest bearing or that pays interest materially
3 below prevailing market rates, as determined by the
4 Corporation.

5 “(9) TERMINATION.—

6 “(A) IN GENERAL.—Any implementation
7 of the Program shall terminate not later than
8 270 days after the date of implementation un-
9 less the Board of Directors (upon a vote of not
10 less than two-thirds of the members of the
11 Board of Directors) and the Board of Gov-
12 ernors of the Federal Reserve System (upon a
13 vote of not less than two-thirds of the members
14 of such Board) submits to the Secretary of the
15 Treasury a written recommendation to not ter-
16 minate the program, and—

17 “(i) the Secretary of the Treasury—

18 “(I) submits to Congress a report
19 containing data and analysis to justify
20 not terminating the Program that in-
21 cludes data and analysis from the
22 Board of Directors and the Board of
23 Governors of the Federal Reserve Sys-
24 tem; and

1 “(II) requests approval from
2 Congress to extend the Program for a
3 specified period of time; and

4 “(ii) a joint resolution of approval is
5 enacted to extend the Program.

6 “(B) PROCEDURES FOR JOINT RESOLU-
7 TION OF APPROVAL.—The procedures provided
8 for congressional consideration of a joint resolu-
9 tion under section 1105(d) of the Dodd-Frank
10 Wall Street Reform and Consumer Protection
11 Act shall apply to a joint resolution of approval
12 described under subparagraph (A)(ii).”.

13 (b) INSURED CREDIT UNIONS.—Section 207 of the
14 Federal Credit Union Act (12 U.S.C. 1787) is amended
15 by adding at the end the following:

16 “(s) INSURANCE OF CERTAIN UNINSURED DEPOSITS
17 TO PRESERVE FINANCIAL STABILITY.—

18 “(1) IN GENERAL.—The National Credit Union
19 Administration Board may establish a program
20 under which the Board fully insures the net amount
21 in member accounts of an insured credit union that
22 are covered transaction accounts for a single period
23 not to exceed 180 days if, upon the written rec-
24 ommendation of such Board (upon a vote of not less
25 than two-thirds of the members of such Board) and

1 the Board of Governors of the Federal Reserve Sys-
2 tem (upon a vote of not less than two-thirds of the
3 members of such Board), the Secretary of the Treas-
4 ury (in consultation with the President) determines
5 that the failure to establish such program would
6 have serious adverse effects on financial stability or
7 economic conditions in the United States.

8 “(2) ELIGIBILITY.—An insolvent insured credit
9 union is not eligible to be enrolled in a program es-
10 tablished under this subsection.

11 “(3) FUNDING.—To carry out a program under
12 this subsection, the Board may—

13 “(A) establish assessments on insured
14 credit unions that participate in such a pro-
15 gram; and

16 “(B) use amounts available in the Fund.

17 “(4) EXTENSION.—The National Credit Union
18 Administration Board may extend the period de-
19 scribed in paragraph (1) for an additional 90 days
20 if—

21 “(A) the National Credit Union Adminis-
22 tration Board (upon a vote of not less than
23 two-thirds of the members of such Board), the
24 Board of Governors of the Federal Reserve Sys-
25 tem (upon a vote of not less than two-thirds of

1 the members of such Board), and the Secretary
2 of the Treasury (in consultation with the Presi-
3 dent) determines that the failure to extend such
4 program would have serious adverse effects on
5 financial stability or economic conditions in the
6 United States; and

7 “(B) the Secretary of the Treasury sub-
8 mits to Congress a report containing data and
9 analysis, including data and analysis from the
10 Board of Directors and the Board of Governors
11 of the Federal Reserve System, justifying such
12 extension.

13 “(5) TESTIMONY.—Not later than 45 days after
14 the establishment of a program under this sub-
15 section, the Chairman, the Chairman of the Board
16 of Governors of the Federal Reserve System, and the
17 Secretary of the Treasury shall provide testimony to
18 the Committee on Financial Services of the House of
19 Representatives and the Committee on Banking,
20 Housing, and Urban Affairs of the Senate describing
21 the data, analysis, and justification for establishing
22 the program under this subsection.

23 “(6) GAO REPORT.—Not later than 90 days
24 after the establishment of a program under this sub-
25 section, the Comptroller General of the United

1 States shall submit to Congress a report describing
2 the establishment of such program.

3 “(7) COVERED TRANSACTION ACCOUNT DE-
4 FINED.—In this subsection, the term ‘covered trans-
5 action account’ means a transaction account that is
6 non-interest bearing or that pays interest materially
7 below prevailing market rates, as determined by the
8 National Credit Union Administration Board.

9 “(8) TERMINATION.—

10 “(A) IN GENERAL.—A program established
11 under this subsection shall terminate not later
12 than 270 days after the date of establishment
13 unless the Board (upon a vote of not less than
14 two-thirds of the members of such Board) and
15 the Board of Governors of the Federal Reserve
16 System (upon a vote of not less than two-thirds
17 of the members of such Board) submits to the
18 Secretary of the Treasury a written rec-
19 ommendation to not terminate the program,
20 and—

21 “(i) the Secretary of the Treasury—

22 “(I) submits to Congress a report
23 containing data and analysis to justify
24 not terminating the program that in-
25 cludes data and analysis from the

1 Board and the Board of Governors of
2 the Federal Reserve System; and

3 “(II) requests approval from
4 Congress to extend the program for a
5 specified period of time; and

6 “(ii) a joint resolution of approval is
7 enacted to extend the program.

8 “(B) PROCEDURES FOR JOINT RESOLU-
9 TION OF APPROVAL.—The procedures provided
10 for congressional consideration of a joint resolu-
11 tion under section 1105(d) of the Dodd-Frank
12 Wall Street Reform and Consumer Protection
13 Act shall apply to a joint resolution of approval
14 described under subparagraph (A)(ii).”.

15 (c) MODIFICATION TO EXPEDITED PROCEDURES.—
16 Section 1105(d) of the Dodd-Frank Wall Street Reform
17 and Consumer Protection Act (12 U.S.C. 5612(d)) is
18 amended—

19 (1) by redesignating paragraph (4) as para-
20 graph (5); and

21 (2) by inserting after paragraph (3) the fol-
22 lowing:

23 “(4) CONSIDERATION IN THE HOUSE OF REP-
24 RESENTATIVES.—Upon receipt of a request under
25 subsection (c), a joint resolution introduced in the

- 1 House of Representatives in connection with such re-
- 2 quest shall be privileged.”.

