

118TH CONGRESS
1ST SESSION

H. R. 3928

To amend the Federal Deposit Insurance Act to permit an insured depository institution to elect to have a higher standard maximum deposit insurance amount applicable to commercial deposits of the institution and to require higher assessments of such an institution, to amend the Federal Credit Union Act to provide a similar program for insured credit unions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 7, 2023

Mr. SCHIFF introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Federal Deposit Insurance Act to permit an insured depository institution to elect to have a higher standard maximum deposit insurance amount applicable to commercial deposits of the institution and to require higher assessments of such an institution, to amend the Federal Credit Union Act to provide a similar program for insured credit unions, 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 “Deposit Insurance Re-
3 form Act of 2023”.

4 **SEC. 2. ELECTION OF HIGHER STANDARD MAXIMUM DE-**
5 **POSIT INSURANCE AMOUNT FOR COMMER-**
6 **CIAL DEPOSITS.**

7 Section 11 of the Federal Deposit Insurance Act (12
8 U.S.C. 1821) is amended by adding at the end the fol-
9 lowing:

10 “(x) **ELECTION OF HIGHER STANDARD MAXIMUM**
11 **DEPOSIT INSURANCE AMOUNT FOR COMMERCIAL DEPOS-**
12 **ITS.—**

13 “(1) **MULTIPLE LEVELS OF DEPOSIT INSUR-**
14 **ANCE.—**The Corporation shall establish multiple lev-
15 els of standard maximum deposit insurance amounts
16 that are applicable to commercial deposits and are
17 above the amount defined under subsection
18 (a)(1)(E).

19 “(2) **ELECTION.—**An insured depository institu-
20 tion may elect to apply a standard maximum deposit
21 insurance amount established under paragraph (1)
22 to the commercial deposits of the insured depository
23 institution.

24 “(3) **DEPOSIT INSURANCE FUND ASSESS-**
25 **MENTS.—**The Corporation shall set the assessment
26 rate of an insured depository institution making an

1 election under paragraph (2) at such higher rate as
 2 is necessary to reflect the increased risk to the De-
 3 posit Insurance Fund from the failure of an insured
 4 depository institution with a higher standard max-
 5 imum deposit insurance.

6 “(4) RULEMAKING.—The Corporation shall
 7 issue such rules as may be necessary to carry out
 8 this subsection.

9 “(5) COMMERCIAL DEPOSITS DEFINED.—In
 10 this subsection, the term ‘commercial deposits’
 11 means any deposits other than deposits of an indi-
 12 vidual (unless the individual is operating in the ca-
 13 pacity of a sole proprietorship).”.

14 **SEC. 3. ELECTION OF HIGHER STANDARD MAXIMUM SHARE**
 15 **INSURANCE AMOUNT FOR COMMERCIAL DE-**
 16 **POSITS.**

17 Section 207(k) of the Federal Credit Union Act (12
 18 U.S.C. 1787(k)) is amended by adding at the end the fol-
 19 lowing:

20 “(7) ELECTION OF HIGHER STANDARD MAX-
 21 IMUM SHARE INSURANCE AMOUNT FOR COMMERCIAL
 22 DEPOSITS.—

23 “(A) MULTIPLE LEVELS OF SHARE INSUR-
 24 ANCE.—The Board shall establish multiple lev-
 25 els of standard maximum share insurance

1 amounts that are applicable to commercial de-
2 posits and are above the amount defined under
3 paragraph (6).

4 “(B) ELECTION.—An insured credit union
5 may elect to apply a standard maximum share
6 insurance amount established under subpara-
7 graph (A) to the commercial deposits instead of
8 the amount defined under paragraph (6).

9 “(C) FUND PREMIUM CHARGES.—The
10 Board shall set the premium charge rate appli-
11 cable to an insured credit union making an elec-
12 tion under subparagraph (B) at such higher
13 rate as is necessary to reflect the increased risk
14 to the Fund from the failure of an insured
15 credit union with a higher standard maximum
16 share insurance amount.

17 “(D) RULEMAKING.—The Board shall
18 issue such rules as may be necessary to carry
19 out this paragraph.

20 “(E) COMMERCIAL DEPOSITS DEFINED.—
21 In this paragraph, the term ‘commercial depos-
22 its’ means any deposits other than deposits of
23 an individual (unless the individual is operating
24 in the capacity of a sole proprietorship).”.

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