

## **Amendment to H.R. 4067**

### **Offered by**

Page 1, after line 7, insert the following new subsection (and redesignate subsequent subsections accordingly):

1       (a) INTEREST-BEARING TRANSACTION ACCOUNTS  
2 AUTHORIZED.—

3           (1) FEDERAL RESERVE ACT.—Section 19(i) of  
4 the Federal Reserve Act (12 U.S.C. 371a) is amend-  
5 ed by inserting at the end the following: “Notwith-  
6 standing any other provision of this section, a mem-  
7 ber bank may permit the owner of any deposit, any  
8 account which is a deposit, or any account on which  
9 interest or dividends are paid to make up to 24  
10 transfers per month (or such greater number as the  
11 Board may determine by rule or order), for any pur-  
12 pose, to a demand deposit account of the owner in  
13 the same institution. Nothing in this subsection shall  
14 be construed to prevent an account offered pursuant  
15 to this subsection from being considered a trans-  
16 action account for purposes of this Act.”.

1 (2) HOME OWNERS' LOAN ACT.—

2 (A) IN GENERAL.—Section 5(b)(1) of the  
3 Home Owners' Loan Act (12 U.S.C. 1464  
4 (b)(1)) is amended by adding at the end the fol-  
5 lowing new subparagraph:

6 “(G) TRANSFERS.—Notwithstanding any  
7 other provision of this paragraph, a Federal  
8 savings association may permit the owner of  
9 any deposit or share, any account which is a de-  
10 posit or share, or any account on which interest  
11 or dividends are paid to make up to 24 trans-  
12 fers per month (or such greater number as the  
13 Board of Governors of the Federal Reserve Sys-  
14 tem may determine by rule or order under sec-  
15 tion 19(i) to be permissible for member banks),  
16 for any purpose, to a demand deposit account  
17 of the owner in the same institution. Nothing in  
18 this subsection shall be construed to prevent an  
19 account offered pursuant to this subsection  
20 from being considered a transaction account (as  
21 defined in section 19(b) of the Federal Reserve  
22 Act) for purposes of the Federal Reserve Act.”.

23 (B) REPEAL.—Effective at the end of the  
24 3-year period beginning on the date of the en-  
25 actment of this Act, section 5(b)(1) of the

1 Home Owners' Loan Act (12 U.S.C. 1464  
2 (b)(1)) is amended by striking subparagraph  
3 (G).

4 (3) FEDERAL DEPOSIT INSURANCE ACT.—Sec-  
5 tion 18(g) of the Federal Deposit Insurance Act (12  
6 U.S.C. 1828(g)) is amended by adding at the end  
7 the following new paragraph:

8 “(3) TRANSFERS.—Notwithstanding any other  
9 provision of this subsection, an insured nonmember  
10 bank or insured State savings association may per-  
11 mit the owner of any deposit or share, any account  
12 which is a deposit or share, or any account on which  
13 interest or dividends are paid to make up to 24  
14 transfers per month (or such greater number as the  
15 Board of Governors of the Federal Reserve System  
16 may determine by rule or order under section 19(i)  
17 to be permissible for member banks), for any pur-  
18 pose, to a demand deposit account of the owner in  
19 the same institution. Nothing in this subsection shall  
20 be construed to prevent an account offered pursuant  
21 to this subsection from being considered a trans-  
22 action account (as defined in section 19(b) of the  
23 Federal Reserve Act) for purposes of the Federal  
24 Reserve Act.”.

Page 2, line 16, strike “subsection (a)” and insert  
“subsection (b)”.

Page 2, line 16, strike “1-year” and insert “3-year”.

Page 2, after line 17, add the following new section:

1 **SEC. 3. INCREASED FEDERAL RESERVE BOARD FLEXI-**  
2 **BILITY IN SETTING RESERVE REQUIRE-**  
3 **MENTS.**

4 Section 19(b)(2) of the Federal Reserve Act (12  
5 U.S.C. 461(b)(2)) is amended—

6 (1) in clause (i), by striking “the ratio of 3 per  
7 centum” and inserting “a ratio not greater than 3  
8 percent”; and

9 (2) in clause (ii), by striking “and not less than  
10 8 per centum”.