

March 29, 2001

Committee Action Report

On Wednesday, March 28, 2001, the Committee on Financial Services met in open session and considered the following measures:

[H.R. 974, the SMALL BUSINESS INTEREST CHECKING ACT OF 2001, was ordered reported to the House with a favorable recommendation by a voice vote, with an amendment.](#)

The following amendments were considered:

[An amendment in the nature of a substitute by Mr. Oxley, No. 1](#), removing the prohibitions on the payment of interest on demand deposits contained in the Federal Reserve Act, the Home Owner's Loan Act, and the Federal Deposit Insurance Act, clarifying that depository institutions which are prohibited by State law from offering demand deposits may offer NOW accounts to all customers, including businesses, and clarifying that nothing in the bill is intended to create any presumption that certain services offered by depository institutions in connection with real estate transactions are to be treated as the payment of interest, **was AGREED TO by a voice vote, as amended.**

[An amendment to the amendment in the nature of a substitute by Mr. Watt of North Carolina, No. 1a](#), requiring the payment of a set rate of interest on certain escrow accounts, was WITHDRAWN. The amendment was modified by unanimous consent.

[An amendment to the amendment in the nature of a substitute by Mr. Inslee, No. 1b](#), conditioning the payment of interest on sterile reserves on the establishment of certain consumer privacy protections, was RULED NONGERMANE by the Chair. A motion to appeal the ruling of the Chair was tabled upon the motion of Mr. Baker by a record vote of 34 yeas and 16 nays (**Record vote no. 1**)

[An amendment to the amendment in the nature of a substitute by Mr. LaFalce, No. 1c](#), reauthorizing a survey of bank fees and services, was AGREED TO by a voice vote.

[An amendment to the amendment in the nature of a substitute by Ms. Schakowsky, No. 1d](#), limiting eligibility for interest on sterile reserves to depository institutions that permit holders of reservable transaction accounts to engage in at least three free teller transactions per month, was RULED NONGERMANE by the Chair.

[An amendment to the amendment in the nature of a substitute by Ms. Waters, No. 1e](#), striking the provisions permitting the payment of interest on sterile reserves, was WITHDRAWN.

[An amendment to the amendment in the nature of a substitute by Ms. Waters, No. 1f](#), prohibiting the payment of interest on sterile reserves unless the depository

institution reduces consumer costs by an equal or greater amount, was NOT AGREED TO by a record vote of 12 yeas and 31 nays (**Record vote no. 2**).

[The title was amended by unanimous consent.](#)

[H.R. 1009, the BUSINESS CHECKING FREEDOM ACT OF 2001, was laid upon the table by unanimous consent.](#)

[H.R. 1088, the INVESTOR AND CAPITAL MARKETS FEE RELIEF ACT OF 2001 was ordered reported to the House with a favorable recommendation, with an amendment.](#)

The following amendments were considered:

[An amendment in the nature of a substitute by Mr. Fossella, No. 1,](#) making technical changes to the bill, was AGREED TO by a voice vote, as amended.

[An amendment to the amendment in the nature of a substitute by Mr. Frank, No. 1a,](#) striking the fee reduction provisions, was NOT AGREED TO by a record vote of 12 yeas and 46 nays (**Record vote no. 3**).

[An amendment to the amendment in the nature of a substitute by Mr. Kanjorski, No. 1b,](#) addressing the recovery of additional costs for governmental activities beyond those incurred by the Securities and Exchange Commission, was NOT AGREED TO by a record vote of 14 yeas and 37 nays (**Record vote no. 4**)

[An amendment to the amendment in the nature of a substitute by Mr. Bentsen, No. 1c,](#) providing for a study of the effect of the fee reductions, was AGREED TO by a voice vote.

[An amendment to the amendment in the nature of a substitute by Mr. LaFalce, No. 1d,](#) raising the fees in the underlying bill by diminishing the reduction in fees in the underlying bill, was NOT AGREED TO by a voice vote.

The Committee adjourned at the call of the Chair.