

TITLE III: TRANSFER OF POWERS TO THE COMPTROLLER OF THE CURRENCY, THE CORPORATION, AND THE BOARD OF GOVERNORS

- **OTS Power Transfer:** One year after enactment the OTS will transfer its functions accordingly as follows:
 - **Savings and Loan Holding Companies:** To be regulated by the Federal Reserve Board of Governors.
 - **Federal Savings Associations:** To be regulated by the OCC.
 - **State Savings Associations:** To be regulated by the FDIC.
- **OTS Abolished:** 90 days after powers are transferred the OTS is abolished.
- **Funding:** New responsibilities of the banking agencies resulting from the transfer of powers will be funded by assessments on the applicable regulated institutions.
- **Size Discrimination:** Assessment rates may now be size discriminate against large institutions.
- **Changes Assessment Base:** Assessment base is redefined to equal the total consolidated assets of the depository institution during an assessment period minus the average tangible equity. (This is a change from the current assessment base that relies upon total domestic deposits).
- **Custodial Banks and Banker's Banks:** In the case of a custodial bank or banker's bank, the assessment amount can be further reduced by an amount determined by the FDIC.
- **Reserve Ratio:** The reserve ratio of the Deposit Insurance Fund for any year may now, as set by the FDIC, exceed 1.5 percent.
- **Transaction Accounts:** Maximum deposit insurance permanently increased from \$100,000 to \$250,000. The Transactional Account Guarantee (TAG) Program is extended to 2013, insuring the net amount held by a depositor in noninterest-bearing transaction accounts at an insured depository institution. The term 'noninterest-bearing transaction account' means a deposit or account (i) with respect to which interest is neither accrued nor paid; (ii) on which the depositor or account holder is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone or other electronic media transfers, or other similar items for the purpose of making payments or transfers to third parties or others; and (III) on which the insured depository institution does not reserve the right to require advance notice of an intended withdrawal.