

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3234
OFFERED BY MR. EMMER OF MINNESOTA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Keeping Deposits
3 Local Act”.

**4 SEC. 2. AMOUNT OF RECIPROCAL DEPOSITS THAT ARE NOT
5 CONSIDERED TO BE FUNDS OBTAINED BY OR
6 THROUGH A DEPOSIT BROKER.**

7 Section 29(i) of the Federal Deposit Insurance Act
8 (12 U.S.C. 1831f(i)) is amended by striking paragraph (1)
9 and inserting the following:

10 “(1) IN GENERAL.—The sum of the following
11 amounts of reciprocal deposits of an agent institu-
12 tion shall not be considered to be funds obtained, di-
13 rectly or indirectly, by or through a deposit broker:

14 “(A) An amount equal to 50 percent of the
15 portion of the total liabilities of the agent insti-
16 tution that is less than or equal to
17 \$1,000,000,000.

1 “(B) An amount equal to 40 percent of the
2 portion, if any, of the total liabilities of the
3 agent institution that is greater than
4 \$1,000,000,000, but less than or equal to
5 \$10,000,000,000.

6 “(C) An amount equal to 30 percent of the
7 portion, if any, of the total liabilities of the
8 agent institution that is greater than
9 \$10,000,000,000, but less than or equal to
10 \$250,000,000,000.

11 “(D) An amount equal to 20 percent of the
12 portion, if any, of the total liabilities of the
13 agent institution that is greater than
14 \$250,000,000,000, but less than or equal to
15 \$1,000,000,000,000.

16 “(E) An amount equal to 2 percent of the
17 portion, if any, of the total liabilities of the
18 agent institution that is greater than
19 \$1,000,000,000,000.”.

20 **SEC. 3. DEFINITION OF AGENT INSTITUTION.**

21 Section 29(i)(2)(A)(i) of the Federal Deposit Insur-
22 ance Act (12 U.S.C. 1831f(i)(2)(A)(i)) is amended by
23 striking subclause (I) and inserting the following:

24 “(I) when most recently exam-
25 ined under section 10(d) was assigned

1 a CAMELS rating of 1, 2, or 3 under
2 the Uniform Financial Institutions
3 Rating System (or an equivalent rat-
4 ing under a comparable rating sys-
5 tem); and”.

