

Mitchell Presses for Raise in Limit on FDIC Deposit Insurance

Tuesday, 30 September 2008

WASHINGTON— U. S. Rep. Harry E. Mitchell today urged House Speaker Nancy Pelosi to consider including in the revised economic rescue package an increase the amount of deposit insurance offered by the Federal Deposit Insurance Corporation (“FDIC”).

Mitchell is a co-sponsor of H.R. 7235, bipartisan legislation introduced by Republican Chris Shays of Connecticut that would increase the individual FDIC deposit insurance limit to \$300,000. Currently, FDIC only insures individual deposits up to \$100,000.

Below is the text Congressman Mitchell’s letter:

October 1, 2008

The Honorable Nancy Pelosi Speaker United States House of Representatives U.S. Capitol Building, H-232

Washington
, DC 20510

Madam Speaker:

As leadership continues to work toward a bipartisan compromise to address the recent turmoil in our country's financial sector, I wish to draw your attention to H.R. 7235, a bipartisan bill, of which I am a co-sponsor, which was introduced earlier this week to increase the amount of deposit insurance offered by the Federal Deposit Insurance Corporation ("FDIC"). I encourage you to consider including it, or legislation like it, in the revised rescue package.

We are facing a crisis of confidence, and I believe that increasing deposit insurance would provide some much needed assurance.

As you know, FDIC Chair Sheila Bair recently announced support for an increase in deposit insurance limits above the current \$100,000 level in order to give banks added liquidity and reassure depositors.

As you also know, Senators Barack Obama and John McCain have endorsed the idea, and the Senate is expected to take this up later today.

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I am encouraged by the bipartisan consensus that is emerging around increased deposit insurance, and I urge you to include it in the revised rescue package when the House returns to session tomorrow.

Thanks for your consideration, and for your leadership on economic issues. Sincerely, Harry E. Mitchell

Member of Congress