

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

governments, hospitals and farmers.

Dec. 16, 2012

The Senate failed to move a bill last week that would have extended government insurance to certain non-interest bearing bank accounts used by businesses, local governments, hospitals and farmers.

Government-backed insurance for these “transaction accounts” will return to a \$250,000 limit at the end of the year, as had been the case prior to enactment of the 2010 Dodd-Frank banking bill.

Lawmakers temporarily lifted the limit to protect against a run on banks during the financial meltdown. Proponents of extending the program for another two years argued that without it businesses are likely to shift these accounts from small community banks to institutions deemed “too big to fail.”

Senate Banking Committee Chairman Tim Johnson, D-S.D., said the extension made sense because it would provide “certainty for business and financial institutions.”

About \$1.5 trillion was guaranteed in transaction accounts at U.S. banks and thrifts, according to the Federal Deposit Insurance Corp. The accounts are often used as temporary safe havens for payroll and other recurring expenses where earning interest is not a priority.

Opponents argued that the financial crisis has passed and there is no longer a need to put taxpayer money at risk guaranteeing unlimited deposits in these accounts. The bill also appeared to fall victim to an ongoing partisan dispute over how business is conducted in the Senate.

Two votes were taken on moving forward with the legislation – both requiring a 60-

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Harry Reid, D-Nev., had used his parliamentary powers to prevent amendments from being debated. The maneuver, they said, has been employed 40 times this session.

“This has been the greatest deliberative body in the world – at least that is what I heard before I came over from the House of Representatives – but it has not turned out that way,” said Sen. Roger Wicker, R-Miss.

Reid has defended his use of the maneuver as a way to avoid nongermane amendments that could waylay legislation.

On the banking bill, Cornyn voted in opposition. Hutchison voted in favor.

The House killed legislation to temporarily lift an Environmental Protection Agency ban on epinephrine inhalers containing ozone-depleting chlorofluorocarbons.

Amphastar Pharmaceuticals, maker of the over-the-counter inhaler Primatene Mist, had hoped to sell off approximately 1.2 million inhalers that were not sold or distributed before the ban went into effect a year ago. The company pledged to donate any profits from the sale to charity.

Rep. Michael Burgess, R-Texas, an asthmatic who sponsored the legislation, argued that more than 1 million rescue inhalers are gathering dust in a California warehouse not helping patients suffering from asthma attacks.

“This bill is about allowing asthmatics to continue to get relief during an asthma attack, to continue to have an emergency rescue inhaler available when they deem that they need it, not when the administrator of the EPA says they need it,” Burgess said.

Rep. Henry Waxman of California, top Democrat on the House Energy and Commerce Committee, said medical experts say there are safer and more effective products available now.

“The American Lung Association, the American Thoracic Society, the American

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Copyright 2012 Herald Democrat, Stephens Media, LLC, d/b/a Herald Democrat Distributed by Newsbank, Inc. All Rights Reserved

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved