

permits the involvement of state abandoned property systems to locate the owners of unclaimed deposit insurance. Under prior law, depositors were required to claim their deposit insurance within eighteen months of the closing of an insured depository institution. The new law, which applies to insured depository institutions for which the FDIC is appointed receiver after the enactment date of the Act, June 28, 1993, permits state governments to accept custody of any deposits which remain unclaimed at the end of eighteen months and attempt to locate the depositors for ten years, at which time any remaining deposits are to be returned to the FDIC. As to any accounts which are not accepted by the state, those depositors have until the termination of the receivership to claim their insurance from the FDIC. Congress also included a retroactive provision applicable to any insured depository institution for which the FDIC was appointed receiver after January 1, 1989. For these institutions, the states are not permitted to take custody of unclaimed deposits, but the depositors themselves may claim them directly from the FDIC at any time up to the termination of the receivership.

The FDIC will use the information maintained in the system to respond to requests for research and/or delivery of deposit insurance to a claimant. The system will consist of records relating to unclaimed insured or transferred deposits from closed insured depository institutions for which the FDIC was appointed receiver after January 1, 1989.

Accordingly, the Board of Directors of the FDIC proposes to establish the system to read as follows:

FDIC 30-64-0024

SYSTEM NAME:

Unclaimed Deposits Reporting System.

SYSTEM LOCATION:

Designated FDIC service centers and consolidated field offices. A list of the designated locations is available from the Chief of Policy & Planning, Operations Branch, Division of Depositor and Asset Services, FDIC, 550-17th Street, NW, Washington, DC 20429.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Owners of unclaimed insured or transferred deposits from closed insured depository institutions for which the FDIC was appointed receiver after January 1, 1989.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records relating to unclaimed insured or transferred deposits from closed insured depository institutions for which the FDIC was appointed receiver after January 1, 1989.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Sections 9, 11, and 12 of the Federal Deposit Insurance Act (12 U.S.C. 1819, 1821, and 1822).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:

Information in this system of records may be disclosed:

(1) To the appropriate state accepting custody of unclaimed deposits as specified in section 12(e)(2)-(3) of the Federal Deposit Insurance Act (12 U.S.C. 1822(e)(2)-(3));

(2) To a congressional office in response to an inquiry made at the request of the individual to whom the record pertains; and

(3) To the appropriate federal, state or local agency or authority responsible for investigating or prosecuting a violation of, or for enforcing or implementing a statute, rule, regulation, or order, when the information indicates a violation or potential violation of law, whether civil, criminal, or regulatory in nature, and whether arising by general statute or particular program statute, or by regulation, rule or order issued pursuant thereto; and

(4) To a court, magistrate, or administrative tribunal in the course of presenting evidence, including disclosures to counsel or witnesses in the course of civil discovery, litigation, or settlement negotiations or in connection with criminal proceedings.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Information is maintained on local area network specified file servers, computer disks, tapes or hard copy printouts stored in secured areas which limits access to authorized personnel only.

RETRIEVABILITY:

Indexed by depository institution name, depository institution number, depositor name, depositor social security number, depositor tax identification number, or account/check number.

SAFEGUARDS:

Information is encrypted and accessed only by authorized FDIC personnel. Hard copy data is stored in secured

areas which limits access to authorized personnel only.

RETENTION AND DISPOSAL:

If the appropriate state has accepted ten-year custody of unclaimed deposits, a record of the deposits will be retained by the FDIC during the custody period, pending return of any deposits not claimed from the state during the ten-year custody period. Such records will subsequently be destroyed in accordance with the FDIC's records retention policy in effect at the time of return of any deposits to the FDIC from the state. If the appropriate state has declined to accept custody of unclaimed deposits, upon termination of the receivership of the closed insured depository institution, records of all deposit insurance claims paid are destroyed in accordance with the FDIC's current records retention policy.

SYSTEM MANAGER(S) AND ADDRESS:

Chief of Policy & Planning, Operations Branch, Division of Depositor and Asset Services, FDIC, 550-17th Street, NW., Washington, DC 20429.

NOTIFICATION PROCEDURE:

Requests must be made in writing and addressed to the Office of the Executive Secretary, FDIC, 550-17th Street, NW., Washington, DC 20429.

RECORD ACCESS PROCEDURES:

Same as "Notification" above.

CONTESTING RECORD PROCEDURES:

Same as "Notification" above.

RECORD SOURCE CATEGORIES:

Information originates from deposit records of closed insured depository institutions. Records of unclaimed transferred deposits are provided to the FDIC from insured depository institutions to which the FDIC transferred deposits upon closing of the former institution.

SYSTEMS EXEMPTED FROM CERTAIN PROVISIONS OF THE ACT:

None.

By direction of the Board of Directors.

Dated at Washington, DC, this 31st day of January, 1995.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Acting Executive Secretary.

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Privacy Act of 1974; Amendment to an Existing System of Records

AGENCY: Federal Deposit Insurance Corporation (FDIC).