

103^D CONGRESS
1ST SESSION

H. R. 890

To amend the Federal Deposit Insurance Act to provide for extended periods of time for claims on insured deposits.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 1993

Mr. FRANK of Massachusetts introduced the following bill; which was referred to the Committee on Banking, Finance and Urban Affairs

A BILL

To amend the Federal Deposit Insurance Act to provide for extended periods of time for claims on insured deposits.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Unclaimed Deposits
5 Amendments Act of 1993”.

6 **SEC. 2. AMENDMENTS RELATING TO TREATMENT OF UN-**
7 **CLAIMED DEPOSITS.**

8 (a) IN GENERAL.—Subsection (e) of section 12 of the
9 Federal Deposit Insurance Act (12 U.S.C. 1822(e)) is
10 amended to read as follows:

1 “(e) DISPOSITION OF UNCLAIMED ACCOUNTS.—

2 “(1) CASH DISTRIBUTIONS.—

3 “(A) IN GENERAL.—If, in connection with
4 any cash distribution under section 11(f)(1) to
5 insured depositors at any insured depository in-
6 stitution, any depositor has failed to file a claim
7 with the Corporation with respect to an insured
8 deposit at such institution before the later of—

9 “(i) the end of the 3-month period be-
10 ginning on the date on which the Corpora-
11 tion mailed a notice of the distribution to
12 the depositor at the last-known address for
13 the depositor on the books of the institu-
14 tion; and

15 “(ii) the end of the 18-month period
16 beginning on the date of the appointment
17 of a receiver for such institution,

18 the Corporation shall notify the State in which
19 the principal place of business of the depository
20 institution is located and offer to transfer to
21 the custody of such State an amount equal to
22 the insured deposits of such depositor at such
23 institution for disposition by such State in ac-
24 cordance with any State law which provides for

1 the disposition of abandoned property in the
2 State.

3 “(B) DISPOSITION OF CLAIMS IF STATE
4 DOES NOT ACCEPT CUSTODY.—

5 “(i) AVAILABILITY TO DEPOSITOR.—If
6 a State referred to in subparagraph (A)
7 does not accept the custody of the amount
8 of any insured deposit which the Corpora-
9 tion offers to transfer under such subpara-
10 graph, the Corporation shall permit the de-
11 positor (on whose behalf such transfer was
12 offered) to make a claim against the Cor-
13 poration for an amount equal to such de-
14 posit.

15 “(ii) TERMINATION OF CLAIM AT END
16 OF RECEIVERSHIP.—If a depositor de-
17 scribed in clause (i) fails to make a claim
18 under subparagraph (i) for the amount of
19 the insured deposit of such depositor at the
20 insured depository institution before the
21 termination of the receivership appointed
22 for such institution—

23 “(I) all rights of the depositor
24 against the Corporation with respect

1 to such insured deposit shall be
2 barred; and

3 “(II) notwithstanding any provi-
4 sion of State law, the insured deposit
5 shall become the property of the Cor-
6 poration.

7 “(C) DISPOSITION OF CLAIMS IF STATE
8 DOES ACCEPT CUSTODY.—If a State referred to
9 in subparagraph (A) does accept the custody of
10 the amount of any insured deposit which the
11 Corporation offers to transfer under such sub-
12 paragraph, all rights of the depositor against
13 the Corporation with respect to such deposit
14 shall be barred as of the date on which the
15 amount of the deposit is transferred by the Cor-
16 poration to the State.

17 “(2) TRANSFERRED DEPOSITS.—In the case of
18 any transfer by the Corporation of an insured de-
19 posit under section 11(f)(1) to an insured depository
20 institution (including a new bank or bridge bank)
21 which assumes the liability for such deposit—

22 “(A) the liability of such institution for the
23 transferred deposit shall be subject to any State
24 law which provides for the disposition of aban-
25 doned property in the State in which the prin-

1 cial place of business of the depository institu-
2 tion is located; and

3 “(B) all rights of the depositor against the
4 Corporation with respect to the deposit shall be
5 barred as of the date of the transfer.”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 subsection (a) shall take effect at the end of the 60-day
8 period beginning on the date of the enactment of this Act.

9 (c) RETROACTIVE APPLICATION TO UNRESOLVED
10 CASES.—

11 (1) IN GENERAL.—Except as provided in para-
12 graph (2), the amendment made by subsection (a)
13 shall apply with respect to any insured deposit for
14 which the Federal Deposit Insurance Corporation or
15 the Resolution Trust Corporation is or has become
16 liable under section 11(f) of the Federal Deposit In-
17 surance Act regardless of the date on which a re-
18 ceiver is or has been appointed for the insured de-
19 pository institution which held the deposit when the
20 Corporation became liable for the deposit.

21 (2) EXCEPTION FOR CLOSED RECEIVER-
22 SHIPS.—The amendment made by subsection (a)
23 shall not apply with respect to any insured deposit
24 at an insured depository institution for which a re-

1 receiver has been appointed before the date of the en-
2 actment of this Act if—

3 (A) the receiver was appointed before Jan-
4 uary 1, 1989; or

5 (B) the resolution of the institution has
6 been fully completed before such date of enact-
7 ment (including the termination of any
8 conservatorship established for any successor or
9 resulting depository institution in connection
10 with such resolution).

11 (3) REFILING OF CLAIMS FOR INSURED DEPOS-
12 ITS.—

13 (A) IN GENERAL.—The Federal Deposit
14 Insurance Corporation and the Resolution
15 Trust Corporation shall each establish a proce-
16 dure for filing claims under section 11(f) of the
17 Federal Deposit Insurance Act for insured de-
18 posits for which the Corporation is liable solely
19 by reason of the amendment made by sub-
20 section (a).

21 (B) CONVERSION OF CLAIM AS GENERAL
22 CREDITOR TO CLAIM FOR INSURED DEPOSI-
23 TOR.—In the case of any person who has filed
24 a claim with the Federal Deposit Insurance
25 Corporation or the Resolution Trust Corpora-

1 tion as a general creditor for any amount
2 which, by reason of the amendment made by
3 subsection (a), is eligible for treatment as an
4 insured deposit, the Corporation shall treat
5 such claim as a claim for an insured deposit.

6 (C) PROMPT OFFERS TO STATES.—In the
7 case of any claim for an insured deposit—

8 (i) for which the Federal Deposit In-
9 surance Corporation or the Resolution
10 Trust Corporation is liable by reason of
11 the amendment made by subsection (a);
12 and

13 (ii) which the Corporation has deter-
14 mined to pay in cash,

15 the Corporation shall offer such payment to the
16 appropriate State in accordance with section
17 12(e)(1)(A) (as amended by such subsection) as
18 soon as possible after the date of the enactment
19 of this Act and not later than 60 days.

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