

**Statement of Martin J. Gruenberg**  
**Chairman, Federal Deposit Insurance Corporation**  
**Issuance of a Final Rule on Recordkeeping for Timely Deposit Insurance Determination**  
**November 15, 2016**

Timely access to insured deposits when a bank fails is critical to maintaining public confidence in the banking system. The final rule the FDIC Board is considering today would bolster the FDIC's ability to provide depositors at large banks that have at least two million accounts with the same rapid access to their insured funds as the FDIC provides when a smaller institution fails. Typically, the FDIC is able to make most insured deposits available to depositors by the next business day after a bank failure.

As set forth in the final rule, the FDIC is proposing to achieve its goal by generally requiring banks with two million or more deposit accounts to improve the quality of their deposit data and make changes to their information systems so that the FDIC could make a prompt and accurate insurance determination.

While the final rule would apply to banks with at least two million deposit accounts, some of the 38 banks that would be covered by the final rule now have more than 50 million deposit accounts, offer FDIC-insured accounts using complex account structures, and use information technology systems that are more complex than smaller banks typically employ. Many of them also have multiple deposit platforms inherited through prior acquisitions. Quite obviously, as staff indicated, this rule would not apply to community banks.

I would note that today's action by the Board marks the culmination of a deliberative rulemaking process that began in April 2015 with the publication of an advance notice of proposed rulemaking, which was then followed by a notice of proposed rulemaking published in

February of this year. During this time the FDIC received a number of helpful insights that were incorporated into the final rule we are considering today.

Some of the comments the FDIC received expressed concern about the interplay between the recordkeeping requirements proposed for these covered institutions and existing deposit insurance coverage rules for certain types of accounts, such as brokered accounts, trust accounts, and other accounts where deposit insurance may be eligible for pass-through coverage.

The FDIC carefully considered those and other comments received. As a result, the FDIC adapted the final rule to align better with the deposit insurance rules, while at the same time addressing the goal of ensuring prompt availability of insured funds at a failed bank, regardless of the numbers and types of deposit accounts and deposit systems involved.

The final rule also addresses commenters' concerns about the proposed implementation period by extending it from two years to three years. The FDIC anticipates working closely with the institutions covered by the rule during this time. Finally, the rule provides for consideration of extensions or exceptions in appropriate circumstances.

I support publication of this final rule. I would like to thank the FDIC staff for their excellent work and my fellow Board members for their support of this important initiative.