

**DEPARTMENT OF THE TREASURY****Office of the Comptroller of the Currency**

[Docket No. 96-17]

**FEDERAL RESERVE SYSTEM**

[Docket No. R-0933]

**FEDERAL DEPOSIT INSURANCE CORPORATION****DEPARTMENT OF THE TREASURY****Office of Thrift Supervision**

[Order No. 96-81]

**Interagency Policy Statement Regarding Delayed Availability of Funds**

**AGENCIES:** Office of the Comptroller of the Currency (OCC), Department of the Treasury; Board of Governors of the Federal Reserve System (FRB); Federal Deposit Insurance Corporation (FDIC); Office of Thrift Supervision (OTS), Department of the Treasury (collectively, the agencies).

**ACTION:** Withdrawal of statement of policy.

**SUMMARY:** The agencies are withdrawing their joint statement of policy entitled "Delayed Availability of Funds" (the Statement) on the ground that it is superfluous.

**EFFECTIVE DATE:** The removal of the Statement of Policy is effective August 23, 1996.

**FOR FURTHER INFORMATION CONTACT:**

**OCC:** Bert Otto, Acting Deputy Comptroller, (202/874-5224), Office of the Comptroller of the Currency, 250 E Street, SW., Washington, DC 20219.

**FRB:** Manley Williams, Staff Attorney, Division of Consumer and Community Affairs (202/452-3667), Board of Governors of the Federal Reserve System, 20th and C Streets, NW., Washington, DC 20551.

**FDIC:** Louise Kotoshirodo, Review Examiner, Division of Compliance and Consumer Affairs, (202/942-3599); or Mark A. Mellon, Counsel,

Regulation and Legislation Section, Legal Division (202/898-3854), Federal Deposit Insurance Corporation, 550 17th St., NW., Washington, DC 20549.

**OTS:** Tim Burniston, Director, Compliance Policy, (202/906-5629); or Richard Blanks, (202/906-7037), Counsel (Banking and Finance), Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552.

**SUPPLEMENTARY INFORMATION:** On March 28, 1984, the OCC, FRB, FDIC, and the Federal Home Loan Bank Board (the predecessor to the OTS) (collectively, the agencies) issued a policy statement to encourage and assist the efforts of depository institutions in voluntarily addressing the problems caused as a result of some depository institutions delaying a depositor's ability to withdraw funds deposited by check, a practice often referred to as "delayed availability of funds." 49 FR 11868.

The policy statement called for those financial institutions that delayed availability to voluntarily review and disclose their policies, and to refrain from imposing unnecessary delays on all checks, particularly on Social Security and other government checks. In reviewing their availability policies, institutions were asked to consider taking into account factors that indicate whether a given situation presents a risk of loss and to provide a means for depositors to request that an exception be made to the standard hold policy.

On August 10, 1987, the Expedited Funds Availability Act (the EFAA) was enacted. The EFAA requires institutions to disclose their funds availability policies. It also lists specific time periods during which a depository institution must make deposited funds available to its account holders. The EFAA directs the FRB to promulgate implementing regulations to carry out the EFAA's provisions. The FRB fulfilled this responsibility by promulgating 12 CFR Part 229—Availability of Funds and Collection of Checks (Regulation CC). See 53 FR 19433 (May 27, 1988).

Section 303 of the Riegle Community Development and Regulatory Improvement Act of 1994 (the CDRI Act) requires each federal banking agency to

streamline and modify its regulations and written policies to improve efficiency, reduce unnecessary costs, eliminate unwarranted constraints on credit availability, remove inconsistencies and outmoded and duplicative requirements, and to work jointly with the other federal banking agencies to make uniform all regulations implementing common statutory or supervisory policies.

As part of its effort to fulfill the duties imposed by section 303 of the CDRI Act, the agencies have reviewed the statement of policy concerning delayed availability of funds and have concluded that it has been made superfluous by the enactment of the EFAA and the promulgation of Regulation CC. The agencies have therefore decided to withdraw this statement of policy, thereby furthering the section 303 goal of removing outmoded and duplicative requirements.

**The Agencies' Action**

The agencies hereby withdraw the Statement.

Dated at Washington, D.C. this 15th day of August, 1996.

Office of the Comptroller of the Currency.  
Eugene A. Ludwig,  
*Comptroller of the Currency.*

By order of the Secretary of the Board, acting pursuant to delegated authority for the Board of Governors of the Federal Reserve System, August 12, 1996.

Jennifer J. Johnson,  
*Deputy Secretary of the Board.*

By order of the Board of Directors.

Dated at Washington, D.C. this 13th day of August, 1996.

Federal Deposit Insurance Corporation.

Jerry L. Langley,  
*Executive Secretary.*

Dated at Washington, D.C., this 14th day of August, 1996.

Office of Thrift Supervision.

John F. Downey,

*Executive Director, Supervision.*

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