

**Remarks by
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Every time you walk into a bank, you see this sign - the FDIC's symbol of confidence. There are few guarantees in life. The FDIC offers one of them. Our guarantee gives millions of people peace of mind. It tells people that we are there for them.

About one-out-of-every-five residents of Florida is 65 or older. Some of them have childhood memories of what life was like before the FDIC was created. Back then, putting your money in the bank was a risky business. When banks failed, it often took years for depositors to see any of their money again. And when they did, they often saw only a portion of what they had deposited. The FDIC changed that.

Over the last 66 years, the FDIC has made bank failures a non-event for most people. As a result, three generations of Americans have been able to sleep at night secure in the knowledge that their insured deposits are safe. This sign means that insured deposits at banks and savings associations will continue to be safe in the Year 2000.

I am here today to talk with you about the Year 2000 issue - or Y2K as it is commonly known. As I am sure you know, Y2K involves reprogramming computers to make sure they don't mistake the year 2000 for the year 1900. This reprogramming must be done by January 1.

I will make three points this afternoon:

One, money is safe in an FDIC-insured account, no ifs, ands, or buts. That is our message, day in and day out.

Two, federal bank regulators and bankers have spent years working on the Y2K issue: Preparing financial institutions to become Y2K ready - almost all are on schedule. And informing the public about what Y2K means for banks - and for consumers.

And, three, we need your help - help in reassuring an important part of the public that their insured money in the bank is secure. You can do your clients - the aging -- a service by telling them what we've done and that we are there for them. They can continue to be confident that their insured deposits will be safe next January 1, and thereafter. Why? No one has ever lost a penny of an FDIC-insured deposit. No one.

If anyone knows about money, it's the financial writer Jane Bryant Quinn. In writing about the Y2K issue recently, she asked: "Would I take savings out of the bank, lose the interest it's earning and risk total loss if I had a fire?" And she answered: "My money stays put, where it's FDIC-insured."

Jane Bryant Quinn knows that we stand behind our guarantee.

In addition to deposit insurance, people can take comfort from the fact that bank regulators and bankers have been working aggressively to make sure that banks are ready for Y2K. Examiners have visited - and are revisiting - every bank and thrift institution in the country to make sure that banks are preparing for the date change. And if banks are behind schedule, there are a wide range of supervisory actions we can take to focus their attention on their problems.

While we cannot guarantee that every one of the more than 10,000 banks and savings institutions we insure will have absolutely no problems come January 1, the results of our visits are encouraging. Our latest figures show that 97 percent of the banks are on track. Do I find that reassuring? Absolutely.

Let me tell you what I personally intend to do at the end of the year. I am going to take out only enough money for the long holiday weekend. And I plan on using my ATM card to do it.

That's my decision - a decision based on information. Consumers need information to make good decisions. So while we have been examining banks for Y2K readiness, we have also prepared educational material to give bank customers the information they need.

This is an FDIC guide - an issue of FDIC Consumer News - that details what bank customers need to know. It is the most comprehensive guide available on Y2K and banking. It includes questions and answers on the Y2K issue, a Bank Customer's Y2K "To-Do" list, and government resources for Y2K help and information. It gives good advice - practical tips the consumer can use. We're telling consumers: Keep good records of all banking transactions, especially for the last six months of 1999 and into the year 2000. Check transaction receipts against statements and to contact the bank immediately if there is a discrepancy. And make sure that deposit accounts are within insurance limits.

We also have published this pamphlet, "The Year 2000 Date Change," both in English and in Spanish. Banks have also reprinted the pamphlet and have distributed millions of copies. You can pick up copies of both the guide and the pamphlet at our booth in the exhibit hall.

I also want to mention that we will soon open a toll-free consumer hotline, 1-877-FDIC-Y2K, to provide a direct contact point for the public. The call center will be dedicated exclusively to Year 2000 matters.

In addition to our own efforts, we have encouraged - and continue to encourage - banks to explain the Y2K issue to their own customers, discuss the institution's own plan to address the issue, and describe its progress. Banks are the best source of information for their own customers.

In the next few months, the FDIC will step up its efforts to inform - and to educate - the public. We are partnering with national consumer organizations to provide speakers at their meetings and educational publications to their members. Our officials are addressing civic organizations throughout the country. And our most senior officials - including myself - are talking with print and broadcast media to convey our message to the public.

We are doing what we can to educate bank customers about Y2K, because we have a special responsibility to the public. We also have a special credibility that we've earned over almost seven decades of public service.

We are trusted. So are you. You are educators. You are advocates. You are health care, managed care and service providers and professionals. You have a unique and special credibility among your clients. You speak with authority.

Today, I ask for your help. We need you to help us. We need you to remind your clients that the FDIC has been there for them for 66 years, that it is there for them today, and that it will be there for them in the Year 2000 - and beyond.

I ask you to remind your clients that the FDIC sign is a symbol of confidence, and that they can have faith in what it stands for.

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