<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>§ 1951</td>
<td>Congressional findings and declaration of purpose</td>
<td>3</td>
</tr>
<tr>
<td>§ 1952</td>
<td>Reports on ownership and control</td>
<td>3</td>
</tr>
<tr>
<td>§ 1953</td>
<td>Recordkeeping and procedures</td>
<td>4</td>
</tr>
<tr>
<td>§ 1954</td>
<td>Injunctions</td>
<td>5</td>
</tr>
<tr>
<td>§ 1955</td>
<td>Civil penalties</td>
<td>5</td>
</tr>
<tr>
<td>§ 1956</td>
<td>Criminal penalty</td>
<td>6</td>
</tr>
<tr>
<td>§ 1957</td>
<td>Additional criminal penalty in certain cases</td>
<td>6</td>
</tr>
<tr>
<td>§ 1958</td>
<td>Compliance</td>
<td>6</td>
</tr>
<tr>
<td>§ 1959</td>
<td>Administrative procedure</td>
<td>7</td>
</tr>
</tbody>
</table>
# TITLE 12—BANKS AND BANKING

Chap. ...Sec.
1. The Comptroller of the Currency ...1
2. National Banks ...21
3. Federal Reserve System ...221
4. Taxation ...531
5. Crimes and Offenses ...581
6. Foreign Banking ...601
6A. Export-Import Bank of the United States ...635
7. Farm Credit Administration [Repealed or Omitted, See Chapter 23] ...636
7A. Agricultural Marketing ...1141
8. Adjustment and Cancellation of Farm Loans ...1150
9. National Agricultural Credit Corporations [Repealed or Omitted] ...1151
10. Local Agricultural-Credit Corporations, Livestock-Loan Companies and Like Organizations; Loans to Individuals To Aid in Formation or To Increase Capital Stock ...1401
11. Federal Home Loan Banks ...1421
11A. Federal Home Loan Mortgage Corporation ...1451
12. Savings Associations ...1461
13. National Housing ...1701
14. Federal Credit Unions ...1751
15. Federal Loan Agency [Omitted] ...1801
16. Federal Deposit Insurance Corporation ...1811
17. Bank Holding Companies ...1841
18. Bank Service Companies ...1861
19. Security Measures for Banks and Savings Associations ...1881
20. Credit Control [Omitted] ...1901
21. Financial Recordkeeping ...1951
22. Tying Arrangements ...1971
23. Farm Credit System ...2001
24. Federal Financing Bank ...2281
25. National Commission on Electronic Fund Transfers ...2401
26. Disposition of Abandoned Money Orders and Traveler’s Checks ...2501
27. Real Estate Settlement Procedures ...2601
28. Emergency Mortgage Relief ...2701
29. Home Mortgage Disclosure ...2801
30. Community Reinvestment ...2901
31. National Consumer Cooperative Bank ...3001
32. Foreign Bank Participation in Domestic Markets ...3101
33. Depository Institution Management Interlocks ...3201
34. Federal Financial Institutions Examination Council ...3301
34A. Appraisal Subcommittee of Federal Financial Institutions Examination Council ...3331
35. Right to Financial Privacy ...3401
36. Depository Institutions Deregulation and Financial Regulation Simplification [Omitted or Repealed] ...3501
37. Solar Energy and Energy Conservation Bank [Repealed] ...3601
38. Multifamily Mortgage Foreclosure ...3701
38A. Single Family Mortgage Foreclosure ...3751
39. Alternative Mortgage Transactions ...3801
40. International Lending Supervision ...3901
41. Expedited Funds Availability ...4001
42. Low-Income Housing Preservation and Resident Homeownership ...4101
43. Actions Against Persons Committing Bank Fraud Crimes ...4201
44. Truth in Savings ...4301
45. Payment System Risk Reduction ...4401
46. Government Sponsored Enterprises ...4501
47. Community Development Banking ...4701
48. Financial Institutions Regulatory Improvement ...4801
49. Homeowners Protection ...4901
50. Check Truncation ...5001
51. Secure and Fair Enforcement for Mortgage Licensing ...5101
52. Emergency Economic Stabilization ...5201
53. Wall Street Reform and Consumer Protection  ...5301
54. State Small Business Credit Initiative  ...5701
CHAPTER 21—FINANCIAL RECORDKEEPING

Sec.
1951. Congressional findings and declaration of purpose.
1952. Reports on ownership and control.
1953. Recordkeeping and procedures.
1954. Injunctions.
1955. Civil penalties.
1956. Criminal penalty.
1957. Additional criminal penalty in certain cases.
1959. Administrative procedure.

§ 1951. Congressional findings and declaration of purpose

(a) The Congress finds that certain records maintained by businesses engaged in the functions described in section 1953 (b) of this title have a high degree of usefulness in criminal, tax, and regulatory investigations and proceedings. The Congress further finds that the power to require reports of changes in the ownership, control, and managements of types of financial institutions referred to in section 1952 of this title may be necessary for the same purpose.

(b) It is the purpose of this chapter to require the maintenance of appropriate types of records and the making of appropriate reports by such businesses in the United States where such records or reports have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings.


Effective Date

Section 401(a), (b) of Pub. L. 91–508 provided that:

“(a) Except as otherwise provided in this section, titles I, II, and III of this Act and the amendments made thereby [enacting this chapter and sections 1730d and 1829b of this title and section 1051 et seq. of former Title 31, Money and Finance, amending section 78g of Title 15, Commerce and Trade, and enacting provisions set out as notes under section 78g of Title 15 and section 1051 of former Title 31] take effect on the first day of the seventh calendar month which begins after the date of enactment [Oct. 26, 1970].

“(b) The Secretary of the Treasury may by regulation provide that any provision of title I or II or any amendment made thereby [enacting this chapter and sections 1730d and 1829b of this title] shall be effective on any date not earlier than the publication of the regulation in the Federal Register and not later than the first day of the thirteenth calendar month which begins after the date of enactment [Oct. 26, 1970].”

Short Title


§ 1952. Reports on ownership and control

Where the Secretary determines that the making of appropriate reports by uninsured banks or uninsured institutions of any type with respect to their ownership, control, and managements and any changes therein has a high degree of usefulness in criminal, tax, or regulatory investigations
or proceedings, he may by regulation require such banks or institutions to make such reports as he determines in respect of such ownership, control, and managements and changes therein.


§ 1953. Recordkeeping and procedures

(a) Regulations

If the Secretary determines that the maintenance of appropriate records and procedures by any uninsured bank or uninsured institution, or any person engaging in the business of carrying on in the United States any of the functions referred to in subsection (b) of this section, has a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, and that, given the threat posed to the security of the Nation on and after the terrorist attacks against the United States on September 11, 2001, such records may also have a high degree of usefulness in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism, he may by regulation require such bank, institution, or person—

(1) to require, retain, or maintain, with respect to its functions as an uninsured bank or uninsured institution or its functions referred to in subsection (b) of this section, any records or evidence of any type which the Secretary is authorized under section 1829b of this title to require insured banks to require, retain, or maintain; and

(2) to maintain procedures to assure compliance with requirements imposed under this chapter. For the purposes of any civil or criminal penalty, a separate violation of any requirement under this paragraph occurs with respect to each day and each separate office, branch, or place of business in which the violation occurs or continues.

(b) Institutions subject to recordkeeping requirements

The authority of the Secretary of the Treasury under subsection (a) of this section extends to any financial institution (as defined in section 5312 (a)(2) of title 31), other than any insured bank (as defined in section 1813 (h) of this title) and any insured institution (as defined in section 1724 (a) of this title), and any partner, officer, director, or employee of any such financial institution.

(c) Acceptance of automated records

The Secretary shall permit an uninsured bank or financial institution to retain or maintain records referred to in subsection (a) of this section in electronic or automated form, subject to terms and conditions established by the Secretary.

Footnotes

1 See References in Text note below.


References in Text


Amendments

§ 1954. Injunctions

Whenever it appears to the Secretary that any person has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of any regulation under this chapter, he may in his discretion bring an action, in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. Upon application of the Secretary, any such court may also issue mandatory injunctions commanding any person to comply with any regulation of the Secretary under this chapter.


§ 1955. Civil penalties

(a) For each willful or grossly negligent violation of any regulation under this chapter, the Secretary may assess upon any person to which the regulation applies, or any person willfully causing a violation of the regulation, and, if such person is a partnership, corporation, or other entity, upon any partner, director, officer, or employee thereof who willfully or through gross negligence participates in the violation, a civil penalty not exceeding $10,000.

(b) In the event of the failure of any person to pay any penalty assessed under this section, a civil action for the recovery thereof may, in the discretion of the Secretary, be brought in the name of the United States.
§ 1956. Criminal penalty

Whoever willfully violates any regulation under this chapter shall be fined not more than $1,000 or imprisoned not more than one year, or both.


§ 1957. Additional criminal penalty in certain cases

Whoever willfully violates, or willfully causes a violation of any regulation under this chapter, section 1829b of this title, or section 1730d of this title, where the violation is committed in furtherance of the commission of any violation of Federal law punishable by imprisonment for more than one year, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

Footnotes
1 See References in Text note below.


References in Text

Section 1730d of this title, referred to in text, was repealed by Pub. L. 101–73, title IV, § 407, Aug. 9, 1989, 103 Stat. 363.

Amendments
1992—Pub. L. 102–550 inserted “, or willfully causes a violation of” after “Whoever willfully violates”. 

§ 1958. Compliance

The Secretary shall have the responsibility to assure compliance with the requirements of this chapter and sections 1730d of this title and 1829b of this title and may delegate such responsibility to the appropriate bank supervisory agency, or other supervisory agency.

Footnotes
1 See References in Text note below.

§ 1959. Administrative procedure

The administrative procedure and judicial review provisions of subchapter II of chapter 5 and chapter 7 of title 5 shall apply to all proceedings under this chapter, section 1829b of this title, and section 1730d ¹ of this title.

Footnotes

¹ See References in Text note below.


References in Text

Section 1730d of this title, referred to in text, was repealed by Pub. L. 101–73, title IV, § 407, Aug. 9, 1989, 103 Stat. 363.

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