Supervisory Update News Summary

AS OF MAY 15, 2026

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Cooper Re-Elected as State Liaison Committee Chair	Press Release May 1, 2026	The FFIEC State Liaison Committee (SLC) today announced the re-election of Charles G. Cooper as SLC Chair for a one-year term that runs from May 1 until April 30 of the following year. The SLC can re-elect the Chair for additional terms. Cooper has been a member of the SLC and served as its Chair since 2023. Cooper is the Commissioner of the Texas Department of Banking, a position he has held since 2008. As Commissioner, he is responsible for the chartering, regulation, supervision, and examination of 196 Texas state-chartered banks, which have aggregate assets of approximately $341.3 billion. In addition, the Department supervises trust companies, foreign bank agencies and branches, prepaid funeral licensees, money service businesses, and perpetual care cemeteries.	CSBS, FFIEC
OCC Stablecoin Rules Must Address Issuer Risks and Protect Consumers	Press Release May 1, 2026	The Conference of State Bank Supervisors (CSBS), joined by the Money Transmitter Regulators Association, submitted comments to the Office of the Comptroller of the Currency (OCC) requesting changes to its proposed rule to implement the GENIUS Act. The letter emphasized state supervisors' foundational role in United States stablecoin oversight and support for a national framework that preserves financial stability, protects consumers, and supports innovation. An effective framework must ensure that issuers maintain appropriate capital levels, operate within clearly defined statutory activity limits, and follow state consumer financial protection laws.	CSBS

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Texas Banking Commissioner Issues Consent Order Relating to KyckGlobal, Inc.	Press Release May 1, 2026	Texas Banking Commissioner Charles G. Cooper issued a Consent Order (Order) relating to KyckGlobal, Inc (Kyck) of Birmingham, Alabama. Kyck is a licensed money transmitter. The Order is based on the Commissioner's finding that INX violated Texas Finance Code Chapter 152 by engaging in unlicensed money transmission activity. Kyck agreed to the issuance of the Order without admitting violation of state or federal laws or regulations.	TDB
Texas Banking Commissioner Issues Consent Order against Destiny Lara Prohibiting Further Participation	Press Release May 7, 2026	Texas Banking Commissioner Charles G. Cooper issued a Consent Order (Order) relating against Destiny Lara of Cleveland, Texas. Lara was formerly an employee at First Financial Bank, Abilene, Texas. The Order is based on the Commissioner determining that Lara's actions satisfied the statutory requirements for the issuance of a prohibition order as set forth in Texas Finance Code 35.003. Specifically, Lara accepted personal cash payments from an individual and, in return, released vehicle titles in the possession of the bank before payment was received. Lara agreed to the issuance of the Order without admitting violation of state or federal laws or regulations.	TDB
Texas Banking Commissioner Issues Consent Order Relating to SeedTrust, LLC	Press Release May 11, 2026	Texas Banking Commissioner Charles G. Cooper issued a Consent Order (Order) on May 11, 2026, relating to SeedTrust, LLC (SeedTrust) of West Palm Beach, Florida. The Order is based on the Commissioner's finding that SeedTrust violated Texas Finance Code Chapter 152 by conducting money transmission without first obtaining a license from the Texas Department of Banking (Department). The Order requires SeedTrust to pay an administrative penalty and obtain a license from the Department to conduct money transmission in this state. SeedTrust agreed to the issuance of the Order without admitting violation of state or federal laws or regulations.	TDB

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Texas Banking Commissioner Issues Consent Order Relating to Brotherhood Works, LLC	Press Release May 12, 2026	Texas Banking Commissioner Charles G. Cooper issued a Consent Order (Order) on May 8, 2026, relating to Brotherhood Works, LLC (Brotherhood Works) of Fort Wayne, Indiana. The Order is based on the Commissioner's finding that Brotherhood Works violated Texas Finance Code Chapter 152 by conducting money transmission without first obtaining a license from the Texas Department of Banking (Department). The Order requires Brotherhood Works to pay an administrative penalty and obtain a license from the Department to conduct money transmission in this state. Brotherhood Works agreed to the issuance of the Order without admitting violation of state or federal laws or regulations.	TDB
CONSUMER ALERT – Broker Imposter Scams	Press Release May 12, 2026	The Department has been alerted of several attempted broker scams over the past few months which could pose a significant threat to financial institutions and its consumers. In this scam, schemers impersonate banks or brokers and offer fake investment opportunities. In several cases, fraudsters are using legitimate bank names to trick consumers into purchasing fraudulent products. There is very little data on how specific consumers are being targeted in broker scams, but recent information indicates that consumers are targeted after conducting searches for high-rate investment opportunities. Individuals contacted by the fraudsters are often not existing bank customers and are located across the United States. In several cases, these fraudsters were speaking directly to consumers on the phone to build trust in their products.	TDB

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FinCEN Issues Notice on the Threat of Human Trafficking During the 2026 FIFA World Cup	Press Release May 11, 2026	The U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued a Notice urging increased vigilance by financial institutions located in and around cities hosting the 2026 Fédération Internationale de Football Association (FIFA) World Cup. While human trafficking is an ever-present threat in the United States, major events can create a concentrated demand for licit and illicit services. The 2026 FIFA World Cup is expected to draw millions of foreign and domestic visitors, and individuals visiting or residing near host cities may be vulnerable to sex or labor trafficking by perpetrators seeking to exploit the surge in economic activity. Financial institutions should exercise vigilance to detect and report suspicious activity connected to potential human trafficking.	FinCEN
FinCEN Issues Alert to Stop Money Laundering by Iranian Revolutionary Guard Corps	Press Release May 11, 2026	The U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued an Alert to help financial institutions identify and stop funding streams and procurement networks supporting Iran's Islamic Revolutionary Guard Corps (IRGC). The IRGC has engaged in terrorist activity since its inception with the full support of the Iranian regime. The Alert outlines how the IRGC facilitates and launders the proceeds of illicit oil sales by using networks of shell companies and financial facilitators. To promote detection and reporting of suspicious activity by financial institutions, the Alert provides red flags related to the IRGC's oil smuggling, front company abuse, and use of digital assets.	FinCEN

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Agencies Issue Revised Model Risk Guidance	Press Release April 17, 2026	The FDIC, FRB, and OCC jointly issued revised model risk management guidance. In connection with the release the FDIC is rescinding FIL-22-2017 and FIL-27-2021. The revised guidance clarifies that model risk management should be tailored commensurately to the size, complexity, and model risk profile of a banking organization. To support banking organizations' model risk management practices, the revised guidance highlights sound principles for effective model risk management—in particular, by discussing the factors that influence model risk and the features of effective model development and model use; model validation and monitoring; and governance and controls. The revised guidance also discusses considerations specific to vendor and other third-party products, including validation of these products. The guidance does not set forth enforceable standards or prescriptive requirements, and non-compliance will not result in supervisory criticism.	FDIC, FRB, OCC
Agencies Finalize Changes to Community Bank Leverage Ratio	Press Release April 23, 2026	The FDIC, FRB, and OCC jointly finalized a rule to modify the community bank leverage ratio consistent with existing statutory authority. This change will provide community banks with greater flexibility to use a simpler measure of capital adequacy and reduce regulatory burden. The final rule takes into account the unique business models and risk profiles of community banks. The final rule is being adopted without change from the proposal issued in November 2025. The rule will lower the community bank leverage ratio from nine percent to eight percent, which will provide more flexibility for community banks to opt into the framework. The final rule also extends the grace period from two quarters to four quarters for a community bank that temporarily falls out of compliance. The framework continues to simplify regulatory capital requirements for community banks by allowing them to adopt a relatively simple leverage ratio to measure capital adequacy, rather than calculating and reporting risk-based capital ratios.	FDIC, FRB, OCC

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Agencies Issue Host State Loan-to-Deposit Ratios	Press Release May 1, 2026	The FDIC, FRB, and OCC jointly issued updated host state loan-to-deposit ratios, as required by law. Each ratio compares the total loans in a state to total deposits in the state for all banks that are legally operating in that state. These ratios replace those issued in May 2025. By law, a bank is generally prohibited from establishing or acquiring branches outside of its home state primarily for the purpose of acquiring additional deposits. This prohibition seeks to ensure that interstate bank branches will not take deposits from a community without the bank also reasonably helping to meet the credit needs of that community.	FDIC, FRB, OCC
FDIC Issues List of Banks Examined for CRA Compliance	Press Release May 5, 2026	The FDIC issued its list of state nonmember banks recently evaluated for compliance with the Community Reinvestment Act (CRA). The list covers evaluation ratings that the FDIC assigned to institutions in January 2026. The CRA is a 1977 law that requires the FDIC to assess a bank's record of meeting the credit needs of its entire community, including those of low- and moderate-income neighborhoods, consistent with safe and sound operations. As part of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), Congress mandated the public disclosure of an evaluation and rating for each bank or thrift that undergoes a CRA examination on or after July 1, 1990.	FDIC
FDIC Releases Staff Study of Deposit Flows at Three Failed Banks in Spring 2023	Press Release May 14, 2026	The FDIC released "Dissecting Depositor Flight: An Analysis of the Spring 2023 Bank Failures," a detailed staff study of deposit flows at three banks that failed in the spring of 2023. Using transaction-level data from Silicon Valley Bank (SVB), Signature Bank (SBNY), and First Republic Bank (FRB), the analysis provides a day-by-day look at depositor behavior around the time the institutions were closed and placed into FDIC receivership. Prior to failure, all three banks experienced deposit outflows that were unprecedented in their size and speed.	FDIC

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Updated Questions and Answers Regarding FDIC Official Signs and Advertising Requirements	FIL-22-2026 May 15, 2026	The FDIC is updating its Questions and Answers (Q&As) related to the FDIC's regulation governing FDIC Official Signs, Advertisement of Membership, False Advertising, Misrepresentation of Insured Status, and Misuse of the FDIC Name or Logo, to reflect the FDIC's 2026 amendments to the rule (part 328). The Q&As provide answers to a collection of questions from stakeholders, including insured depository institutions (IDIs), trade associations, technology companies, vendors, and other entities, and are intended to promote transparency and support implementation efforts.	FDIC
Local Banker Indicted for Bank Fraud Conspiracy Involving Millions	Investigations Press Release May 5, 2026	A Houston area man has been taken into custody for allegedly acting as a loan officer on millions of dollars in fraudulent loans as part of a large-scale bank fraud scheme. According to the indictment returned April 29, from at least 2018 through 2022, Mo conspired with others in a scheme to obtain money from federally insured financial institutions through fraudulent loan applications.	FDIC-OIG
Federal Reserve Board Issues Enforcement Action with Former Employee of First Financial Bank	Press Release April 22, 2026	The FRB issued an enforcement action with former First Financial Bank employee Destiny Lara. Lara was employed as a teller by the Bank until her termination on October 29, 2024. Whereas, between August 7, 2024, and October 21, 2024, Lara engaged in a scheme with another Bank employee to impermissibly and without authorization relinquish Bank collateral in the form of vehicle titles to a Bank customer, resulting in a loss of $124,666. Lara relinquished the Bank's collateral in return for personal benefits, including gift cards and tickets to sporting events.	FRB

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Federal Reserve Board Releases Results from Two Surveys of Senior Financial Officers at Banks About Their Views on Discount Window Operating Days and Their Strategies and Practices for Managing Reserve Balances	Press Release May 14, 2026	The FRB released results from two surveys of senior financial officers at banks about their views on discount window operating days and their strategies and practices for managing reserve balances. The Senior Financial Officer Survey is used by the Board to obtain information about banks' reserve balance management strategies and practices, their expectations around the size of their balance sheets and deposit balances, their activity in money markets, and their views regarding the discount window.	FRB
Dallas Fed: Texas Employment Forecast Strengthens	News Release May 1, 2026	The Texas Employment Forecast released by the Federal Reserve Bank of Dallas indicates jobs will increase 1.8 percent in 2026, with an 80 percent confidence band of 1.2 to 2.4 percent. The forecast is based on an average of four models that include projected national GDP, oil futures prices, and the Texas and U.S. leading indexes.	FRB-Dallas
Governor Abbott Amends, Renews Drought Disaster Proclamation in April 2026	Proclamation April 17, 2026	Governor Greg Abbott amended and renewed the disaster proclamation issued on July 8, 2022, certifying that exceptional drought conditions posed a threat of imminent disaster in several counties; and the Texas Division of Emergency Management has confirmed that those same drought conditions persist in certain counties in Texas. The proclamation authorizes the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.	TXGOV

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Governor Abbott Amends, Renews Flooding Disaster Proclamation in April 2026	Proclamation April 17, 2026	Governor Greg Abbott amended and renewed the disaster proclamation issued on July 4, 2025, certifying that the heavy rainfall and flooding event that began on July 2, 2025, that included heavy rainfall and flash flooding, caused widespread and severe property damage, injury, or loss of life in several counties. Those counties include Bandera, Bexar, Burnet, Caldwell, Coke, Comal, Concho, Edwards, Gillespie, Guadalupe, Hamilton, Kendall, Kerr, Kimble, Kinney, Lampasas, Llano, Mason, Maverick, McCulloch, Menard, Real, Reeves, San Saba, Schleicher, Sutton, Tom Green, Travis, Uvalde, and Williamson counties. The proclamation authorizes the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.	TXGOV
Governor Abbott Renews Border Security Disaster Proclamation in April 2026	Proclamation April 17, 2026	Governor Greg Abbott amended and renewed the disaster proclamation issues on May 31, 2021, certifying that the surge of individuals unlawfully crossing the Texas/Mexico border posed an ongoing and imminent threat of disaster for a number of Texas counties and for all state agencies affected by this disaster. The proclamation authorizes the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.	TXGOV
Texas Economy Hits Record $2.9 Trillion	Press Release April 17, 2026	Governor Greg Abbott celebrated the strength of the Texas economy as preliminary estimates from the U.S. Bureau of Economic Analysis show the Texas economy expanded to $2.9 trillion in 2025, based on the state's 2025 current-dollar gross domestic product (GDP). The Texas economy also grew faster than the nation as a whole in 2025 at a rate of 2.5% when adjusted for inflation. "The Texas economy expanded to a record high of $2.9 trillion thanks to the productivity of our skilled workforce and the entrepreneurs and businesses investing here with confidence," said Governor Abbott. "With the Best Business Climate in America and unmatched pro-growth policies, Texas is the premier destination for job creators from across the country and world. We will keep attracting world-class investment, create jobs, and expand opportunity for Texans for generations to come."	TXGOV

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Governor Abbott Announces SBA Assistance Following North Texas Severe Weather	Press Release May 8, 2026	Governor Greg Abbott announced that the U.S. Small Business Administration (SBA) approved his request for a disaster declaration for North Texas communities impacted by severe storms that took place late last month. The declaration includes the following counties: Cooke, Denton, Hood, Jack, Johnson, Montague, Palo Pinto, Parker, Tarrant, and Wise. The SBA granted access to its Home Disaster Loans, Business Physical Disaster Loans, and Economic Injury Disaster Loan (EIDL) program, which will provide low-interest loans to qualifying homeowners, renters, and businesses in affected North Texas communities following the severe storms and tornadoes that occurred in April.	TXGOV
Governor Abbott Amends, Renews Fire Weather Conditions Disaster Proclamation in May 2026	Proclamation May 8, 2026	Governor Abbott amended and renewed the disaster proclamation issued on August 10, 2025, as amended and renewed in subsequent proclamations, certifying that increased fire weather conditions pose an imminent threat of widespread or severe damage, injury, or loss of life or property in several counties; and the Texas Division of Emergency Management has confirmed that those same increased fire weather conditions persist in certain counties in Texas. The proclamation authorizes the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.	TXGOV
Texas Regulatory Efficiency Office (TREO) Launches New AI-integrated Interactive Website	Press Release May 15, 2026	Governor Greg Abbott today launched the new AI-integrated TREO website. The website harnesses cutting-edge AI technology to make it easier and faster for Texans to find the exact rules and forms they need for their industry, profession, or activity. The platform connects users directly with state agencies, catalogs recommendations for slashing red tape, and simplifies regulatory requirements for clear, real-time instruction. “The new TREO website is a one stop shop for Texans to easily navigate state rules and regulations," said Governor Abbott. "The interactive site saves time, reduces confusion, and makes information readily accessible right when you need it."	TXGOV

INDUSTRY PUBLICATIONS

SOURCE	PUBLICATION
FDIC	2026 Risk Review (April 2026)
FDIC	National Rates and Rate Caps (April 2026)
FRB	FOMC Statement (April 2026)
FRB	Financial Stability Report (May 2026)
FRB-Dallas	Trimmed Mean PCE Inflation Rate (April 2026)
FRB-Kansas	Determinants of De Novo Bank Formation (May 2026)

OTHER RESOURCES
Bloomberg Business and Financial News
Consumer Financial Protection Bureau (CFPB)
FFIEC BSA/AML InfoBase
FFIEC Information Technology Handbook InfoBase
Financial Accounting Standards Board (FASB)
Financial Action Task Force (FATF)
Financial Crimes Enforcement Network (FinCEN)
The Financial Forecast Center - Discount Rate Information
Office of Foreign Assets Control, U.S. Treasury (OFAC)
Real Estate Research Center, Texas A&M University (Market Reports)
Temporary Liquidity Guarantee Program
Texas Constitution and Statutes
Texas and National Economy – Federal Reserve Bank of Dallas
The Texas Economy – Texas Comptroller
Troubled Asset Relief Program (TARP)
Uniform Bank Performance Reports (UBPR) and Users Guide

ACRONYMS AND ABBREVIATIONS

ACRONYM / ABBREVIATION	MEANING
AML	Anti-Money Laundering
ASU	Accounting Standards Update
BIS	Bank for International Settlements
BSA	Bank Secrecy Act
CFPB	Consumer Financial Protection Bureau
CFR	Code of Federal Regulations
CRA	Community Reinvestment Act
CRE	Commercial Real Estate
CSBS	Conference of State Bank Supervisors
Dodd-Frank Act	The Dodd-Frank Wall Street Reform and Consumer Protection Act
DOJ	Department of Justice
FASB	Financial Accounting Standards Board
FC	Finance Commission of Texas
FCA	Farm Credit Administration
FDIC	Federal Deposit Insurance Corporation
FDIC-OIG	FDIC Office of Inspector General

ACRONYM / ABBREVIATION	MEANING
FFIEC	Federal Financial Institutions Examination Council
FHA	Federal Housing Authority
FHFA	Federal Housing Finance Agency
FinCEN	Financial Crimes Enforcement Network
FRB (or Fed or FR)	Federal Reserve Board or Federal Reserve
FTC	Federal Trade Commission
HUD	Housing and Urban Development Department
NCUA	National Credit Union Association
OCC	Office of the Comptroller of the Currency
OFAC	Office of Foreign Asset Control
OIG	Office of Inspector General
SDN	Specially Designated National
SEC	Securities and Exchange Commission
TDB	Texas Department of Banking
TXGOV	Office of the Texas Governor
TSSB	Texas State Securities Board
Treasury	U.S. Department of Treasury