



Supervisory Update News Summary

AS OF DECEMBER 15, 2023

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Brandon Milhorn Named New CSBS President and CEO	Press Release Nov. 29, 2023	The Conference of State Bank Supervisors' Board of Directors today announced the appointment of Brandon Milhorn, currently deputy to FDIC Vice Chairman Travis Hill and previously chief operating officer, chief of staff and deputy to FDIC Chairman Jelena McWilliams, as its next president and CEO, effective Dec. 4. Milhorn will succeed James M. Cooper, who leaves CSBS for a long-planned retirement from the state system.	CSBS
Final Rule on Special Assessment Pursuant to Systemic Risk Determination	FIL-58-2023 Nov. 16, 2023	FDIC Board of Directors approved a final rule to implement a special assessment to recover the loss to the Deposit Insurance Fund (DIF) associated with protecting uninsured depositors following the closures of Silicon Valley Bank and Signature Bank. The Federal Deposit Insurance Act (FDI Act) requires the FDIC to take this action in connection with the systemic risk determination announced on March 12, 2023.	FDIC
FDIC Makes Public October Enforcement Actions	PR-97-2023 Nov. 24, 2023	FDIC today released a list of orders of administrative enforcement actions taken against banks and individuals in October 2023. There are no administrative hearings scheduled for December 2023. Herring Bank in Amarillo, Texas was issued a Consent Order (Stipulation), FDIC-23-0036b , on October 23, 2023 relating to, among other things, weaknesses in information technology and corporate bond software.	FDIC

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TITLE	TYPE/DATE	DESCRIPTION	SOURCE
<p>FDIC-Insured Institutions Reported Net Income of \$68.4 Billion in Third Quarter 2023</p>	<p>PR-99-2023 Nov. 29, 2023</p>	<p>Reports from 4,614 commercial banks and savings institutions insured by the FDIC reflect aggregate net income of \$68.4 billion in third quarter 2023, down \$2.4 billion (3.4 percent) from the prior quarter. First and second quarter income benefitted from non-recurring gains from the accounting treatment for the acquisition of the three large bank failures this spring. Excluding these one-time gains, net income would have been roughly flat for the past four quarters. These and other financial results for third quarter 2023 are included in the FDIC’s latest Quarterly Banking Profile released today.</p>	<p>FDIC</p>
<p>Agencies Finalize Rule Updating and Modernizing the Community Reinvestment Act (CRA)</p>	<p>FIL-61-2023 Dec. 1, 2023</p>	<p>On October 24, 2023, the FDIC Board voted to approve a final rule, to be issued jointly with the Board of Governors of the Federal Reserve and the OCC, that makes comprehensive regulatory amendments to the FDIC’s regulation implementing the Community Reinvestment Act of 1977 (CRA).</p>	<p>FDIC</p>
<p>FDIC Issues List of Banks Examined for CRA compliance</p>	<p>PR-101-2023 Dec. 4, 2023</p>	<p>The FDIC today 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 September 2023. The Texas banks evaluated during this period received Satisfactory ratings.</p>	<p>FDIC</p>

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Extension of the Revised Statement Regarding Status of Certain Investment Funds and Their Portfolio Investments for Purposes of Regulation O and Reporting Requirements under Part 363 of FDIC Regulations	FIL-63-2023 Dec. 15, 2023	The Board of Governors of the FRB, the FDIC, and the OCC (collectively, the “federal banking agencies”) are issuing the attached Interagency Statement, concerning Regulation O and Part 363 of the FDIC Regulations, to extend the expiration of certain no-action position previously provided in an interagency statement accompanying FIL 55-2022, dated December 22, 2022. The Interagency Statement can be found on the FDIC website.	FDIC
FinCEN Alerts Financial Institutions to COVID-19 Employee Retention Credit Fraud	Press Release Nov. 22, 2023	FinCEN in close coordination with the Internal Revenue Service Criminal Investigation (CI), issued an alert today to financial institutions on fraud schemes related to the COVID-19 Employee Retention Credit (ERC). The Coronavirus Aid, Relief, and Economic Security (CARES) Act authorized the ERC as a tax credit to encourage businesses to keep employees on payroll during the COVID-19 pandemic.	FinCEN
FinCEN Extends Deadline for Companies Created or Registered in 2024 to File Beneficial Ownership Information Reports	Press Release Nov. 29, 2023	FinCEN issued a final rule today that extends the deadline for certain reporting companies to file their initial beneficial ownership information (BOI) reports with FinCEN. Reporting companies created or registered in 2024 will have 90 calendar days from the date of receiving actual or public notice of their creation or registration becoming effective to file their initial reports. FinCEN will not accept BOI reports from reporting companies until January 1, 2024—no reports should be submitted to FinCEN before that date.	FinCEN

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OCC Publishes 2024 Assessments for National Banks and Federal Savings Associations	NR 2023-130 Dec. 1, 2023	OCC is publishing its assessment rates for the 2024 calendar year. The OCC is maintaining the 2023 rates in the general assessment, independent trust, and independent credit card fee schedules, and is not adjusting assessment rates for inflation. The calendar year 2024 assessment rates will be in effect as of January 1, 2024, and will be reflected in assessments paid on March 31, 2024, and September 30, 2024.	OCC

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INDUSTRY PUBLICATIONS
Department of Banking – Agency Profile (December 2023)
Department of Banking – Texas Bank Report – Data as of June 30, 2023 (December 2023)
Department of Banking – Top 100 Banks in Texas – Data as of September 30, 2023 (December 2023)
FDIC – Third Quarter 2023 Quarterly Banking Profile – Aggregate financial results for all FDIC-insured institutions. (November 2023)
FDIC – Consumer Compliance Examination Manual (November 2023)
FDIC – Technical Assistance Video Program – Cybersecurity Awareness. (December 2023)
FDIC – Third Quarter 2023 FDIC State Profiles – Quarterly data sheet summation of economic and banking conditions for all 50 states, Puerto Rico, and the Virgin Islands. (December 2023)
FDIC – Money Smart Newsletter . (December 2023)
FRB – Beige Book – Summary of Commentary on Current Economic Conditions by Federal Reserve District (November 2023)
FRB – Community Banking Connections (December 2023) Issue contains the following: <ul style="list-style-type: none">• Risk Management, Resiliency, and Relationships• Saying Goodbye to Troubled Debt Restructurings• Capital Trends Since the Pandemic and the Ongoing Importance of Prudent Capital Planning• Third-Party Cybersecurity Risk Management — Updates for a Changing Risk Environment• Ransomware: A Multifaceted Menace

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INDUSTRY PUBLICATIONS
FRB – Senior Financial Officer Survey Results . Senior financial officers at banks surveyed about strategies and practices for managing reserve balances (December 2023)
OCC – Retail Lending: Risk Management of 'Buy Now, Pay Later' Lending (December 2023)
OCC – Semiannual Risk Perspective for Fall 2023 (December 2023)
OCC – Mortgage Performance for Third Quarter of 2023 (December 2023)

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OTHER RESOURCES

[Bloomberg Business and Financial News](#)

[Consumer Financial Protection Bureau \(CFPB\)](#)

[The Financial Forecast Center - Discount Rate Information](#)

[FFIEC Information Technology Handbook InfoBase](#)

[FFIEC BSA/AML Examination Manual InfoBase](#)

[Financial Accounting Standards Board \(FASB\)](#)

[Financial Action Task Force \(FATF\)](#)

[Financial Crimes Enforcement Network \(FinCEN\)](#)

[Office of Foreign Assets Control, U.S. Treasury \(OFAC\)](#)

[Real Estate Market Reports \(Texas A&M RE Center\)](#)

[Simply Stated \(CSBS podcast\)](#)

[Texas Constitution and Statutes](#)

[The Texas Economy – Texas Comptroller](#)

[Texas and National Economy – Federal Reserve Bank of Dallas](#)

[Uniform Bank Performance Reports \(UBPR\) and Users Guide](#)

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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

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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
TSSB	Texas State Securities Board
Treasury	U.S. Department of Treasury