



Supervisory Update News Summary

AS OF FEBRUARY 15, 2021

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Consumer Financial Protection Bureau Issues Rule on Higher-Priced Mortgage Loan Escrow Exemption	Press Release Jan. 19, 2021	The CFPB issued a final rule to implement a requirement of the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA). The final rule exempts certain insured depository institutions and insured credit unions from the requirement to establish escrow accounts for certain higher-priced mortgage loans (HPMLs).	CFPB
Consumer Financial Protection Bureau Issues Final Rule on the Role of Supervisory Guidance	Press Release Jan. 19, 2021	The CFPB issued a final rule regarding the Bureau's use of supervisory guidance for its supervised institutions. The rule codifies the statement, with amendments, that the Bureau and other federal financial regulatory agencies issued in September 2018, which clarified the differences between regulations and supervisory guidance.	CFPB
FDIC Approves Rule on the Role of Supervisory Guidance	PR-5-2021 Jan. 19, 2021 FIL-03-2021 Jan. 19, 2021	The FDIC approved a final rule outlining and confirming the agency's use of supervisory guidance for regulated institutions. The final rule codifies the interagency statement on the role of supervisory guidance, as amended, issued in September 2018 to clarify the differences between regulations and guidance, and states that the Statement is binding on the agency.	FDIC
FDIC Makes Public December Enforcement Actions	PR-6-2021 Jan. 29, 2021	<p>The FDIC released a list of orders of administrative enforcement actions taken against banks and individuals in December. There are no administrative hearings scheduled for February 2021.</p> <p>Included among these enforcement actions was a Consent Order relating to Spectra Bank, Fort Worth, Texas.</p>	FDIC

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
FDIC Issues List of Banks Examined for CRA Compliance	PR-8-2021 Feb. 4, 2021	<p>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 November 2020.</p> <p>Included in this list were two Texas state-chartered banks and each received a rating of Satisfactory.</p>	FDIC
Revised Guidelines for Appeals of Material Supervisory Determinations	FIL-04-2021 Jan. 19, 2021	On January 19, 2021, the FDIC's Board of Directors adopted revised Guidelines for Appeals of Material Supervisory Determinations. The revised guidelines are intended to enhance the independence of appeals decisions and to clarify the procedures and timeframes that apply to appeals when the FDIC is taking a formal enforcement action. The revised guidelines generally replace the existing Supervision Appeals Review Committee (SARC) with an independent, standalone office within the FDIC, known as the Office of Supervisory Appeals (Office).	FDIC
Frequently Asked Questions Regarding Suspicious Activity Reporting and Other Anti-Money Laundering (AML) Considerations	FIL-05-2021 Jan. 19, 2021 SR 21-2 Jan. 19, 2021	The FDIC, FRB, FinCEN, NCUA, and OCC have issued responses to frequently asked questions (FAQs) regarding suspicious activity reporting and other AML considerations for financial institutions that are required to submit Suspicious Activity Reports (SARs).	FDIC FRB OCC FinCEN NCUA

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Removal of Transferred OTS Regulations Regarding Securities Offerings of State Savings Associations, Rescission of Statement of Policy on the Use of Offering Circulars, Proposed Rulemaking Regarding Securities Offerings by State Nonmember Banks and State Savings Associations, and Other Technical Amendments	FIL-06-2021 Jan. 29, 2021	On January 19, 2021, the FDIC Board of Directors approved a notice of proposed rulemaking that would rescind and remove 12 CFR part 390, subpart W, entitled Securities Offerings; rescind the 1996 Statement of Policy on the Use of Offering Circulars in Connection with the Public Distribution of Bank Securities; propose a new regulation regarding securities offerings to be made by State nonmember banks and State savings associations; and include technical amendments to update related regulations.	FDIC
Engineer Pleads Guilty to More Than \$10 Million of COVID-Relief Fraud	Press Release Feb. 9, 2021	A Texas engineer pleaded guilty today for filing fraudulent bank loan applications seeking more than \$10 million dollars in forgivable loans guaranteed by the Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.	FDIC OIG
Federal Reserve Board Finalizes a Rule that Updates the Board's Capital Planning Requirements to be Consistent with Other Board Rules that were Recently Modified	Press Release Jan. 19, 2021	The FRB finalized a rule that updates the Board's capital planning requirements to be consistent with other Board rules that were recently modified. The final rule is generally similar to the proposal.	FRB

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Federal Reserve Board Announces the Second Extension of a Rule to Bolster the Effectiveness of the Small Business Administration's Paycheck Protection Program (PPP)	Press Release Feb. 9, 2021	The FRB announced the second extension of a rule to bolster the effectiveness of the Small Business Administration's (SBA) Paycheck Protection Program (PPP). Like the earlier extensions, this one will temporarily modify the Board's rules so that certain bank directors and shareholders can apply to their banks for PPP loans for their small businesses.	FRB
Federal Reserve Board Releases Hypothetical Scenarios for its 2021 Bank Stress Tests	Press Release Feb. 12, 2021	The FRB released the hypothetical scenarios for its 2021 bank stress tests. Last year, the Board found that large banks were generally well capitalized under a range of hypothetical events but due to continuing economic uncertainty placed restrictions on bank payouts to preserve the strength of the banking sector.	FRB
FinCEN Statement on Financial Crimes Tech Symposium	Press Release Feb. 4, 2021	Section 6211 of the AML Act of 2020 requires the Treasury to periodically convene a global anti-money laundering and financial crime symposium focused on how new technology can be used to more effectively combat financial crimes and other illicit activities. The AML Act further requires that such symposia shall be convened in coordination with a new BSA Advisory Group (BSAAG) Subcommittee on Innovation and Technology, as established under section 6207 of the AML Act.	FinCEN
Advisory on COVID-19 Health Insurance and Health Care-Related Fraud	FIN-2021-A001 Feb. 2, 2021	FinCEN is issuing this advisory to alert financial institutions to health insurance and health care frauds related to the COVID-19 pandemic.	FinCEN
OCC Publication Focuses on Bank Investments in Opportunity Zones	NR 2021-11 Jan. 19, 2021	The OCC published the latest edition of its <i>Community Developments Investments</i> newsletter, "Strengthening Communities With Opportunity Zone Investments."	OCC

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
OCC Releases Community Reinvestment Act Bank Type Determinations, Distressed and Underserved Areas, and Banking Industry Compensation Value	NR 2021-16 Jan. 29, 2021 OCC Bulletin 2021-5 Jan. 29, 2021	The OCC announced the availability of the 2021 list of bank type determinations, the 2021 list of distressed and underserved areas, and the banking industry median hourly compensation value. These two lists and the determined compensation value apply only to national banks, federal and state savings associations, and federal branches of foreign banks that are subject to the OCC's regulations under the CRA published in the <i>Federal Register</i> on June 5, 2020 (June 2020 rule).	OCC
Libor Transition: Self-Assessment Tool for Banks	OCC Bulletin 2021-7 Feb. 10, 2021	This bulletin provides a self-assessment tool for banks to evaluate their preparedness for the expected cessation of the London InterBank Offered Rate (Libor).	OCC
Governor Abbott Announces Approval Of Federal Emergency Declaration For Severe Winter Weather	Press Release Feb. 14, 2021	Governor Greg Abbott today announced that the White House has issued a Federal Emergency Declaration for Texas in response to the severe winter weather throughout the state. The Governor submitted a request for this declaration on Saturday to assist the State in response efforts related to the storm.	TxGov
Governor Abbott Renews Disaster Declaration Following Threats And Incidents Of Violence	Proclamation Jan. 25, 2021	Texas Governor Greg Abbott extended a State of Disaster for all Texas counties in the midst of violent protests that endanger public safety and threaten property loss and damage. The original proclamation was issued May 31, 2020.	TxGov

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Governor Abbott Issues Disaster Declaration In Response To Drought Conditions	Proclamation Feb. 2, 2021	Governor Greg Abbott issued a disaster declaration in response to drought conditions existing in Andrews, Bailey, Bandera, Bexar, Brewster, Briscoe, Brooks, Brown, Cameron, Castro, Cochran, Comal, Crane, Crosby, Culberson, Dawson, Deaf Smith, Dimmit, Duval, Ector, El Paso, Floyd, Frio, Gaines, Hale, Hidalgo, Hockley, Hudspeth, Jeff Davis, Jim Hogg, Kendall, Kenedy, Kinney, Lamb, La Salle, Loving, Lubbock, Lynn, Martin, Maverick, Medina, Midland, Parmer, Pecos, Presidio, Randall, Reeves, Starr, Swisher, Terrell, Terry, Upton, Uvalde, Ward, Webb, Wheeler, Winkler, Yoakum, Zapata, and Zavala counties.	TxGov
Governor Abbott Extends COVID-19 Disaster Declaration - February 2021	Proclamation Feb. 4, 2021	Governor Greg Abbott renewed a proclamation extending his Disaster Declaration for all Texas counties in response to COVID-19. Originally issued on March 13th, the Disaster Declaration provides the state a number of resources to effectively serve Texans as the Lone Star State continues to mitigate the spread of COVID-19.	TxGov
Governor Abbott Extends Hurricane Harvey Disaster Proclamation - February 2021	Proclamation Feb. 4, 2021	Texas Governor Greg Abbott has renewed a disaster proclamation for 60 counties affected by Hurricane Harvey. Included in the original proclamation of August 23, 2017, were the counties of Aransas, Austin, Bee, Brazoria, Calhoun, Chambers, Colorado, DeWitt, Fayette, Fort Bend, Galveston, Goliad, Gonzales, Harris, Jackson, Jefferson, Jim Wells, Karnes, Kleberg, Lavaca, Liberty, Live Oak, Matagorda, Nueces, Refugio, San Patricio, Victoria, Waller, Wharton and Wilson. Subsequently added on August 26, 2017, were Angelina, Atascosa, Bastrop, Burleson, Bexar, Brazos, Caldwell, Cameron, Comal, Grimes, Guadalupe, Hardin, Jasper, Kerr, Lee, Leon, Madison, Milam, Montgomery, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Washington, and Willacy counties.	TxGov
Governor Abbott Issues Disaster Declaration In Response To Severe Winter Weather In Texas	Proclamation Feb. 12, 2021	Governor Greg Abbott today issued a disaster declaration in all 254 counties in response to severe winter weather that is impacting Texas. The Governor is continuing to deploy state resources available to assist local officials in their response efforts, and has ordered the Texas State Operations Center (SOC) to expand its daily operations to 24-hours a day through the end of next week.	TxGov

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Treasury to Work to Ensure Families Get Access to Economic Impact Payments	Press Release Jan. 22, 2021r	In response to President Biden’s COVID-19 Economic Relief Executive Order launching an all-of-government effort to provide economic relief, the Treasury will work to stand up an effort to help households who have not yet been able to access their stimulus payments get much-needed relief.	Treasury

SUPERVISORY UPDATE NEWS SUMMARY

INDUSTRY PUBLICATIONS
FRB - Senior Loan Officer Opinion Survey on Bank Lending Practices - October 2020
FRB Dallas - Your Texas Economy - An overview of the Texas economy as of January 25, 2021, examining job growth, unemployment trends, and the performance of key industry sectors
FRB Saint Louis - Credit Spreads During the Financial Crisis and COVID-19 (National) - February 8, 2021
FRB Minneapolis - The Conversation on General-Purpose Central Bank Digital Currency (National) – January 27, 2021

SUPERVISORY UPDATE NEWS SUMMARY

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)
Temporary Liquidity Guarantee Program
Texas Constitution and Statutes
The Texas Economy – Texas Comptroller
Texas and National Economy – Federal Reserve Bank of Dallas
Troubled Asset Relief Program (TARP)
Uniform Bank Performance Reports (UBPR) and Users Guide

SUPERVISORY UPDATE NEWS SUMMARY

ACRONYMS AND ABBREVIATIONS

ACRONYM/ABBREVIATION	MEANING
AML	Anti-Money Laundering
ASU	Accounting Standards Update
BIS	Bank for International Settlements
BSA	Bank Secrecy Act
CFR	Code of Federal Regulations
CRA	Community Reinvestment Act
CRE	Commercial Real Estate
CFPB	Consumer Financial Protection Bureau
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
FFIEC	Federal Financial Institutions Examination Council
FHA	Federal Housing Authority

SUPERVISORY UPDATE NEWS SUMMARY

ACRONYM/ABBREVIATION	MEANING
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