



# Supervisory Update News Summary

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AS OF APRIL 15, 2021

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Consumer Financial Protection Bureau Encourages Financial Institutions and Debt Collectors to Allow Stimulus Payments to Reach Consumers	<a href="#">Press Release</a> March 17, 2021	CFPB Acting Director Dave Uejio issued a statement regarding consumers' access to Economic Impact Payment (EIP) funds distributed through the American Rescue Plan.	CFPB
CFPB Annual Complaint Report Highlights More Than a Half-Million Complaints Received in 2020	<a href="#">Press Release</a> March 24, 2021	The CFPB provided to Congress the Consumer Response Annual Report for 2020. The impact of the COVID-19 pandemic on the consumer financial marketplace is reflected in the increase of complaints submitted to the CFPB. The CFPB handled approximately 542,300 complaints last year—a nearly 54% increase over the approximately 352,400 complaints handled in 2019.	CFPB
CFPB Acting Director Uejio and FTC Acting Chairwoman Slaughter Issue Joint Statement on Preventing Illegal Evictions	<a href="#">Press Release</a> March 29, 2021	CFPB Acting Director Dave Uejio and Federal Trade Commission Acting Chairwoman Rebecca Slaughter issued a joint statement regarding their agencies' work to help stop illegal evictions and protect American consumers facing economic hardship due to COVID-19.	CFPB

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CFPB Rescinds Series Of Policy Statements To Ensure Industry Complies With Consumer Protection Laws	<a href="#">Press Release</a> March 31, 2021	The CFPB announced it is rescinding seven policy statements issued last year that provided temporary flexibilities to financial institutions in consumer financial markets including mortgages, credit reporting, credit cards and prepaid cards.	CFPB
Large Fintechs and Other Payments Companies Move to a Single Exam for Nationwide Regulatory Compliance	<a href="#">Press Release</a> March 22, 2021	The CSBS announced that 13 nationwide payments firms have undergone or are currently undergoing their single comprehensive exams in the first quarter of 2021 as part of the One Company, One Exam program.	CSBS
Community Bankers Confidence in Economy Spikes as Regulatory Burden Concerns Rise	<a href="#">Press Release</a> April 6, 2021	Community bankers' assessment about future economic and financial conditions markedly improved in early 2021 but concerns about future regulatory burden worsened, according to the most recent <a href="#">Community Bank Sentiment Index</a> (CBSI).	CSBS
Banking Commissioner Issues Consent Order Prohibiting Further Participation Relating to Adriana Montemayor	<a href="#">Press Release</a> April 15, 2021	On April 6, 2021, Commissioner Charles G. Cooper issued a Consent Order Prohibiting Further Participation against Adriana Montemayor of Brownsville, Texas, a former employee of Texas Community Bank in Brownsville, Texas.	TDB
Financial Education Webinar: A Blueprint for Smart Housing Decisions Presented Jointly by the Office of Consumer Credit Commissioner and Texas Department of Banking	<a href="#">Industry Notice</a> April 14, 2021	The 45-minute webinar will focus on important factors to consider when deciding whether to rent or buy a home. The session will also address the process of determining what housing you can afford, your credit score, different types of mortgages, and the steps involved in a home purchase. The webinar will be followed by a 15-minute Question and Answer session.	TDB OCCC

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Temporary Supplementary Leverage Ratio Changes to Expire as Scheduled	<a href="#">PR-22-2021</a> March 19, 2021	The federal bank regulatory agencies today announced that the temporary change to the supplementary leverage ratio, or SLR, for depository institutions issued on May 15, 2020, will expire as scheduled on March 31, 2021. The temporary change was made to provide flexibility for depository institutions to provide credit to households and businesses in light of the COVID-19 event.	FDIC FRB OCC
FDIC Makes Public February Enforcement Actions	<a href="#">PR-23-2021</a> March 26, 2021	<p>The FDIC released a list of orders of administrative enforcement actions taken against banks and individuals in February. There are no administrative hearings scheduled for April 2021.</p> <p>Included in this list was an Assessment of Civil Money Penalty against Cody A. Jarrott, a director with Citizens State Bank, Woodville, Texas.</p>	FDIC
FDIC Consumer Compliance Supervisory Highlights	<a href="#">PR-26-2021</a> March 31, 2021  <a href="#">FIL-22-2021</a> March 31, 2021	The FDIC issued the March 2021 edition of the <a href="#">Consumer Compliance Supervisory Highlights</a> . The purpose of this publication is to enhance transparency regarding the FDIC's consumer compliance supervisory activities and to provide a high-level overview of consumer compliance issues identified in 2020 through the FDIC's supervision of state non-member banks and thrifts.	FDIC
FDIC Launches #GetBanked Campaign in Houston and Atlanta	<a href="#">PR-28-2021</a> April 6, 2021	As part of its ongoing efforts to expand financial inclusion, the FDIC launched a public awareness campaign about the benefits of opening a bank account.	FDIC
FDIC Names New Members to Advisory Committee on Community Banking	<a href="#">PR-29-2021</a> April 6, 2021	<p>The FDIC announced nine new members of its Advisory Committee on Community Banking, which shares input with the FDIC on a broad range of community bank policy and regulatory matters. The Advisory Committee is composed of members representing a cross-section of community bankers from around the country.</p> <p>Included among the new members is Gilbert Narvaez, Jr., President &amp; CEO, Falcon International Bank, Laredo, Texas</p>	FDIC

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Agencies Issue Statement and Request for Information on Bank Secrecy Act/Anti-Money Laundering Compliance	<a href="#">PR-32-2021</a> April 9, 2021  <a href="#">FIL-27-2021</a> April 9, 2021	The federal banking agencies, in consultation with the FinCEN and NCUA, today issued a <a href="#">joint statement</a> addressing how risk management principles described in the “Supervisory Guidance on Model Risk Management” relate to systems or models used by banks to assist in complying with the requirements of BSA laws and regulations.	FDIC FRB OCC FinCEN NCUA
FDIC’s Rapid Phased Prototyping Initiative	<a href="#">FIL-19-2021</a> March 26, 2021	The FDIC is providing information and clarification for FDIC-supervised financial institutions on the FDIC’s Rapid Phased Prototyping (RPP) initiative.	FDIC
Webpage with Information on the Brokered Deposits Regulation including Instructions for Filing Requirements under the Primary Purpose Exception	<a href="#">FIL-23-2021</a> March 31, 2021	On April 1, 2021, the revisions to the brokered deposits regulation (see <a href="#">FIL-113-2020</a> ) take effect. The rule establishes a new framework for analyzing the primary purpose exception (“PPE”) that includes a notice process for certain designated exceptions and an application process for entities that wish to invoke the PPE but do not meet one of the designated exceptions. To facilitate the implementation of the new regulations, the FDIC will add a Brokered Deposits webpage to the Banker Resource Center to provide information about the regulation, including filing instructions for the notice and application process. This new webpage will be available at 8:00 AM ET on April 1, 2021. The full compliance date with respect to the brokered deposit revisions is January 1, 2022.	FDIC
Updated Webpage For Revised Interest Rate Restrictions Applicable to Less Than Well Capitalized Institutions	<a href="#">FIL-24-2021</a> March 31, 2021	On April 1, 2021, the FDIC’s revised methodology for calculating the national rate, the national rate cap, and the local market rate cap for banks that are less than well capitalized under Section 337.7 of the <a href="#">FDIC’s Rules and Regulations</a> (see <a href="#">FIL-113-2020</a> ) go into effect. As of 8:00 AM ET on April 1, 2021, the FDIC’s webpage for the National Rates and National Rate Caps will reflect the change in calculation methodology; going forward, updated National Rates and Rate Caps will, in general, be posted on the third Monday of the month.	FDIC

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Consolidated Reports of Condition and Income for First Quarter 2021	<a href="#">FIL-25-2021</a> April 2, 2021	The <a href="#">attached materials</a> pertain to the Consolidated Reports of Condition and Income (Call Report) for the March 31, 2021, report date. Please plan to complete as early as possible the preparation, editing, and review of your institution's Call Report data and the submission of these data to the agencies' Central Data Repository (CDR). Starting your preparation early will help you identify and resolve any edit exceptions before the submission deadline. If you later find that certain information needs to be revised, please make the appropriate changes to your Call Report data and promptly submit the revised data file to the CDR.	FDIC
Coppell Man Pleads Guilty to \$24 Million COVID-Relief Fraud Scheme	<a href="#">Press Release</a> March 24, 2021	A Coppell businessman pleaded guilty today to orchestrating a fraudulent scheme to obtain approximately \$24.8 million in forgivable Paycheck Protection Program (PPP) loans and laundering the proceeds.	FDIC OIG
Federal Reserve System Publishes Annual Financial Statements	<a href="#">Press Release</a> March 22, 2021	The Federal Reserve System released the 2020 combined annual audited financial statements for the FRBs, as well as statements for the 12 individual FRBs, the Board of Governors, and five limited liability companies (LLC's) that manage and operate some of the credit facilities established by the Board in response to the COVID-19 pandemic.	FRB
Federal Reserve Announces Temporary and Additional Restrictions on Bank Holding Company Dividends and Share Repurchases Currently in Place will end for Most Firms after June 30, Based on Results from Upcoming Stress Test	<a href="#">Press Release</a> March 25, 2021	The FRB announced that the temporary and additional restrictions on bank holding company dividends and share repurchases currently in place will end for most firms after June 30, after completion of the current round of stress tests. Firms with capital levels above those required by the stress test will no longer be subject to the additional restrictions as of that date. Firms with capital levels below those required by the stress test will remain subject to the restrictions.	FRB

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Federal Reserve Board Publishes Frequently Asked Questions (FAQs) Comprising Existing Legal Interpretations Related to a Number of the Board's Longstanding Regulations	<a href="#">Press Release</a> March 31, 2021	The FRB published frequently asked questions (FAQs) comprising existing legal interpretations related to a number of the Board's longstanding regulations. The FAQs are intended to increase transparency and enhance accessibility to Board and Board staff legal interpretations.	FRB
Federal Reserve Board Adopts Final Rule Outlining and Confirming the Use of Supervisory Guidance for Regulated Institutions	<a href="#">Press Release</a> March 31, 2021	The FRB adopted a final rule outlining and confirming the use of supervisory guidance for regulated institutions. The final rule generally codifies a statement issued in September 2018 clarifying the differences between regulations and guidance and is substantially similar to the proposal issued last year.	FRB
Federal Reserve Announces Final Rule Making Technical, Clarifying Changes to the Federal Open Market Committee's Rules Describing its Freedom of Information Act Procedures	<a href="#">Press Release</a> April 8, 2021	The FRB announced a final rule that makes technical, clarifying updates to the Federal Open Market Committee's rules describing its Freedom of Information Act (FOIA) procedures. The final rule is generally similar to the proposal from October 2020, with a few changes in response to public comments.	FRB
OCC Reports Decline in Mortgage Performance for Fourth Quarter 2020	<a href="#">NR 2021-38</a> March 25, 2021	The OCC reported that the performance of first-lien mortgages in the federal banking system declined during the fourth quarter of 2020.	OCC

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Emergency Capital Investment Program: Regulatory Capital Treatment of Instruments Issued Under the Emergency Capital Investment Program: Interim Final Rule	<a href="#">OCC Bulletin 2021-14</a> March 22, 2021	On March 22, 2021, the OCC, FRB, and FDIC (collectively, the agencies) published an interim final rule to support and facilitate the timely implementation of the congressionally authorized Emergency Capital Investment Program (ECIP).	OCC
Commercial Lending: Tax Equity Finance Transactions Pursuant to 12 CFR 7.1025	<a href="#">OCC Bulletin 2021-15</a> March 25, 2021	On December 22, 2020, the OCC issued a final rule codifying the authority of banks to engage in TEF transactions under their 12 USC 24(Seventh) (national banks) and 12 USC 1464 (federal savings associations) lending authority, respectively. The final rule is effective April 1, 2021.	OCC
Interest Rate Risk: Interest Rate Risk Statistics Report	<a href="#">OCC Bulletin 2021-18</a> April 1, 2021	The OCC published the spring 2021 edition of the semiannual <a href="#">Interest Rate Risk Statistics Report</a> . The report presents interest rate risk data gathered during examinations of OCC-supervised midsize and community banks and federal savings associations (collectively, banks). The statistics are for informational purposes only and do not represent OCC-suggested limits or exposures.	OCC
Governor Abbott Extends Hurricane Harvey Disaster Declaration - April 2021	<a href="#">Proclamation</a> April 5, 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

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Governor Abbott Extends COVID-19 Disaster Declaration - April 2021	<a href="#">Proclamation</a> April 5, 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 Issues Disaster Declaration In Response To Drought Conditions In April 2021	<a href="#">Proclamation</a> April 15, 2021	Governor Greg Abbott issued a disaster declaration in response to drought conditions existing in Andrews, Bailey, Bandera, Bee, Bexar, Brazoria, Brewster, Briscoe, Brooks, Cameron, Castro, Cochran, Comal, Coryell, Crane, Culberson, Dawson, DeWitt, Dimmit, Deaf Smith, Duval, Ector, El Paso, Fayette, Floyd, Frio, Gaines, Goliad, Gonzales, Hale, Hidalgo, Hockley, Hudspeth, Jeff Davis, Jim Hogg, Jim Wells, Karnes, Kendall, Kenedy, Kleberg, Lamb, La Salle, Live Oak, Loving, Lubbock, Lynn, Martin, Matagorda, McLennan, McMullen, Medina, Midland, Montague, Nueces, Oldham, Parmer, Presidio, Randall, Reeves, San Patricio, Starr, Swisher, Terry, Upton, Victoria, Ward, Webb, Willacy, Winkler, Wise, Yoakum, Zapata, and Zavala counties	TxGov
Treasury and IRS Disbursed Economic Impact Payments from the American Rescue Plan	<a href="#">Press Release</a> March 17, 2021  <a href="#">Press Release</a> March 24, 2021  <a href="#">Press Release</a> April 1, 2021  <a href="#">Press Release</a> April 14, 2021	The Treasury, the Internal Revenue Service, and the Bureau of the Fiscal Service announced disbursed Economic Impact Payments from the American Rescue Plan. Economic Impact Payments are rolling out in tranches to millions of Americans in the coming weeks.	Treasury



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### INDUSTRY PUBLICATIONS

Department of Banking/Department of Savings and Mortgage Lending - [Condition of the Texas Banking System](#) - March 2021 with financial data as of December 31, 2020

Department of Banking - [Banker Economic and Business Survey](#) - First Quarter 2021 Results

FDIC - [State Profiles – Fourth Quarter 2020](#) - Quarterly summary of banking and economic conditions in each state

FDIC - [Consumer Compliance Examination Manual](#) - Updated April 13, 2021

FRB [Beige Book](#) - Summary of Commentary on Current Economic Conditions – April 14, 2021

FRB - [Community Banking Connections](#) - First Issue 2021 – Articles include: Relief for Community Banking Organizations Experiencing Unexpected Asset Growth; Regulation O Revisited; and Community Bank Liquidity: Balance Sheet Management Fundamentals

FRB Dallas - [Southwest Economy](#) – First Quarter 2021 - Articles include: COVID-19 Slammed into Texas, Leaving Long-Lasting Impacts; COVID-19 Poses Stubborn Challenge to Economic Growth in Mexico; and Value-Added Tax Could Restrain Long-Term Federal Debt

FRB Dallas - [Your Texas Economy](#) - An overview of the Texas economy as of March 22, 2021, examining job growth, unemployment trends, and the performance of key industry sectors

FRB Kansas City - [Paycheck Protection Program Activity Drives Changes in Small Business C&I Lending](#) (National) - March 29, 2021

OCC - [Updated Comptroller’s Handbook](#): Booklet and Rescissions - Updated “Allowances for Credit Losses” section - April 15, 2021

Texas Comptroller of Public Accounts - [Fiscal Notes](#) - Periodic summary providing information, original research, and balanced analysis of the Texas economy, March 2021; this issue includes an article on Texas’ unbanked and underbanked population.

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

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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
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

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<b>ACRONYM/ABBREVIATION</b>	<b>MEANING</b>
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