



Supervisory Update News Summary

AS OF JULY 15, 2022

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
CFPB Affirms Ability for States to Police Credit Reporting Markets	Press Release June 28, 2022	The CFPB issued an interpretive rule affirming states' abilities to protect their residents through their own fair credit reporting laws. With limited preemption exceptions, states have the flexibility to preserve fair and competitive credit reporting markets by enacting state-level laws that are stricter than the federal Fair Credit Reporting Act (FCRA).	CFPB
CFPB Issues Advisory to Protect Privacy When Companies Compile Personal Data	Press Release July 7, 2022	The CFPB issued a legal interpretation to ensure that companies that use and share credit reports and background reports have a permissible purpose under the Fair Credit Reporting Act. The CFPB's new advisory opinion makes clear that credit reporting companies and users of credit reports have specific obligations to protect the public's data privacy. The advisory also reminds covered entities of potential criminal liability for certain misconduct.	CFPB
CSBS Board of Directors Names James M. Cooper President and CEO	Press Release June 27, 2022	The CSBS Board of Directors has announced the appointment of James M. Cooper as president and CEO. Cooper had served as acting president and CEO after the sudden death of CSBS leader John W. Ryan on May 16.	CSBS
Community Bankers' Outlook Plummet	Press Release July 8, 2022	Community bankers' collective view of future business conditions and the economy plummeted in the last quarter, according to the Community Bank Sentiment Index (CBSI), released today.	CSBS
Bank of Houston, N.A., Houston, Texas, Converts to a State-Chartered Bank	Press Release June 22, 2022	Banking Commissioner Charles G. Cooper announced that Bank of Houston, N.A., headquartered in Houston, Texas, has completed its conversion to a Texas state-chartered bank from a national banking association. The bank will begin operating under its new charter as Bank of Houston effective June 22, 2022.	TDB

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Banking Commissioner Issues Order Prohibiting Further Participation against Itzel Arlete Vega	Press Release July 8, 2022	On July 5, 2022, Commissioner Charles G. Cooper issued a final Order Prohibiting Further Participation against Itzel Arlete Vega of McAllen, Texas, a former employee of International Bank of Commerce, Brownsville, Texas.	TDB
One-Time Proxy Solicitation	Law & Guidance Manual July 13, 2022	The Department does not view a customary one-time proxy solicitation to vote shares of a Texas state bank (or its bank holding company) as an acquisition subject to prior notice or approval of a change in control	TDB
FDIC Makes Public May Enforcement Actions	PR-51-2022 June 24, 2022	<p>The FDIC released a list of orders of administrative enforcement actions taken against banks and individuals in May 2022. There are no administrative hearings scheduled for July 2022.</p> <p>Included in this list was an Assessment of Civil Money Penalty against First State Bank, Paint Rock, Texas, for engaging in a pattern or practice of committing violations relating to flood insurance before and after loan origination.</p>	FDIC
Agencies Issue Host State Loan-to-Deposit Ratios	PR-52-2022 June 28, 2022	Federal bank regulatory agencies issued the host state loan-to-deposit ratios that are used to evaluate compliance with section 109 of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994. These ratios replace those from June 2021.	FDIC FRB OCC
FDIC Issues List of Banks Examined for CRA Compliance	PR-53-2022 July 1, 2022	<p>The FDIC issued its list of state nonmember banks recently evaluated for compliance with the CRA. The list covers evaluation ratings that the FDIC assigned to institutions in April 2022.</p> <p>Included in this list were four Texas state-chartered banks, with three receiving a rating of Satisfactory and one a rating of Needs Improvement.</p>	FDIC

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Agencies Release List of Distressed or Underserved Nonmetropolitan Middle–Income Geographies	PR-54-2022 July 1, 2022	Federal bank regulatory agencies today made available the 2022 list of distressed or underserved nonmetropolitan middle-income geographies. These are geographic areas where revitalization or stabilization activities are eligible to receive CRA consideration pursuant to the definition of community development under the agencies’ regulations. Visit the FFIEC website to see the 2022 list, previous years’ lists, and criteria for designating these areas.	FDIC FRB OCC
Amended Restoration Plan and Notice of Proposed Rulemaking on Assessments, Revised Deposit Insurance Assessment Rates	FIL-26-2022 June 21, 2022	The FDIC issued a notice of proposed rulemaking, applicable to all insured depository institutions, to increase initial base deposit insurance assessment rates by 2 basis points, beginning with the first quarterly assessment period of 2023. The FDIC concurrently adopted an Amended Restoration Plan, which incorporates the increase in initial base assessment rates in order to raise the reserve ratio to the minimum threshold of 1.35 percent by the statutory deadline of September 30, 2028.	FDIC
FDIC’s Office of the Ombudsman publishes 2021 Services and Activities Report	FIL-27-2022 July 1, 2022	The FDIC Office of the Ombudsman today published a report highlighting its activities and the services provided to stakeholders during 2021.	FDIC
Joint Statement on the Risk-Based Approach to Assessing Customer Relationships and Conducting Customer Due Diligence	FIL-28-2022 July 6, 2022	<p>The FDIC, FRB, FFIEC, NCUA, and OCC (collectively, the Agencies), are issuing a joint statement to remind banks of the risk-based approach to assessing customer relationships and conducting customer due diligence (CDD).</p> <p>The joint statement is available on the FDIC’s public website.</p>	FDIC FRB FFIEC OCC FinCEN NCUA

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Consolidated Reports of Condition and Income for Second Quarter 2022	FIL-29-2022 July 12, 2022	The attached materials pertain to the Consolidated Reports of Condition and Income (Call Report) for the June 30, 2022, report date and provide guidance on certain reporting issues. This Financial Institution Letter and the attached Supplemental Instructions should be shared with the individual responsible for preparing the Call Report at your institution. 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
FDIC Updates on Brokered Deposits	FIL-30-2022 July 15, 2022	The FDIC is issuing a statement, adding a new Question and Answer (Q&A), and updating public information on the Banker Resource Center Brokered Deposits Page, to remind FDIC-insured depository institutions (IDIs) that deposits swept from broker dealers with a primary purpose exception to unaffiliated IDIs must be reported as brokered if there are any additional third parties involved that qualify as a deposit broker, as defined by Section 337.6 –Brokered Deposits, of the FDIC's Rules and Regulations.	FDIC
FFIEC Announces Availability of 2021 Data on Mortgage Lending	Press Release June 16, 2022	The FFIEC announced the availability of data on 2021 mortgage lending transactions reported under the Home Mortgage Disclosure Act (HMDA) by 4,338 U.S. financial institutions. Covered institutions include banks, savings associations, credit unions, and mortgage companies.	FFIEC

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Federal Reserve Board Approves Discount Rate Actions by the Boards of Directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Chicago, St. Louis, Kansas City, and Dallas	Press Release June 16, 2022	The FRB approved action on Wednesday by the Boards of Directors of the Federal Reserve Banks of Richmond, Kansas City, and Dallas and action on Thursday by the Boards of Directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Chicago, and St. Louis increasing the discount rate, specifically the primary credit rate, at the Banks from 1 percent to 1-3/4 percent, effective immediately.	FRB
Federal Reserve Board Approves Discount Rate Actions by the Boards of Directors of the Federal Reserve Banks of Atlanta and San Francisco	Press Release June 17, 2022	The FRB approved action on Friday by the Boards of Directors of the Federal Reserve Banks of Atlanta and San Francisco increasing the discount rate, specifically the primary credit rate, at the Banks from 1 percent to 1-3/4 percent, effective immediately.	FRB
Federal Reserve Board Announces Final Timeline and Implementation Details for Adoption of New Fedwire Funds Service Message Format	Press Release June 27, 2022	The FRB announced the final timeline and implementation details for the adoption of a new Fedwire Funds Service message format. The final details are broadly similar to the proposal issued last year.	FRB

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Financial Action Task Force Identifies Jurisdictions with Anti-Money Laundering and Combating the Financing of Terrorism and Counter-Proliferation Deficiencies	Press Release June 23, 2022	The FinCEN is informing U.S. financial institutions that the Financial Action Task Force (FATF), an intergovernmental body that establishes international standards for AML/CFT/CPF, has issued public statements updating its lists of jurisdictions with strategic AML/CFT/CPF deficiencies following its plenary meeting this month. U.S. financial institutions should consider the FATF's stance toward these jurisdictions when reviewing their obligations and risk-based policies, procedures, and practices.	FinCEN
FinCEN and the U.S. Department of Commerce's Bureau of Industry and Security Urge Increased Vigilance for Potential Russian and Belarusian Export Control Evasion Attempts	Press Release June 28, 2022 FIN-2022-Alert003 June 28, 2022	The FinCEN and the U.S. Department of Commerce's Bureau of Industry and Security (BIS) today issued a joint alert to financial institutions advising them to be vigilant against efforts by individuals or entities to evade BIS export controls implemented in connection with the Russian Federation's further invasion of Ukraine	FinCEN
OCC Reports First Quarter 2022 Bank Trading Revenue	NR 2022-71 June 21, 2022	The OCC reported cumulative trading revenue of U.S. commercial banks and savings associations of \$10.6 billion in the first quarter of 2022. The first quarter trading revenue was \$3.4 billion, or 47.8 percent, more than in the previous quarter and \$10.0 million, or 0.1 percent, more than in the first quarter of 2021.	OCC
OCC Reports on Key Risks Facing Federal Banking System	NR 2022-73 June 23, 2022	The OCC reported the key issues facing the federal banking system in its <i>Semiannual Risk Perspective for Spring 2022</i> .	OCC
OCC Reports Improvement in Overall Mortgage Performance	NR 2022-76 June 27, 2022	The OCC reported that the performance of first-lien mortgages in the federal banking system improved during the first quarter of 2022.	OCC

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
OCC Assesses \$125 Million Civil Money Penalty Against Bank of America, Orders Restitution for Unfair and Deceptive Practices	NR 2022-84 July 14, 2022	The OCC assessed a \$125 million civil money penalty against Bank of America, N.A., for violations of law and unsafe or unsound practices relating to the bank’s administration of a prepaid card program to distribute unemployment insurance and other public benefit payments. The OCC also ordered the bank to provide remediation to consumers harmed by the bank’s practices and violations of law.	OCC CFPB
Governor Abbott Appoints Four To Finance Commission Of Texas	Press Release June 27, 2022	Governor Greg Abbott has reappointed Bob Borochoff, Phillip Holt, and Deborah Scanlon and appointed Marty Green to the Finance Commission of Texas for terms set to expire on February 1, 2028. The Finance Commission is responsible for overseeing and coordinating the Texas Department of Banking, the Department of Savings and Mortgage Lending, and the Office of the Consumer Credit Commissioner and serves as the primary point of accountability for ensuring that state depository and lending institutions function as a system, considering the broad scope of the financial services industry.	TxGov
Governor Abbott Renews Wildfire Disaster Declaration In June 2022	Proclamation June 16, 2022	Governor Greg Abbott renewed a March 18, 2022, proclamation in response to wildfire activity throughout 72 counties. Included in the proclamation were Andrews, Aransas, Archer, Bee, Bell, Blanco, Borden, Bosque, Brewster, Brooks, Brown, Cameron, Coke, Coleman, Comanche, Concho, Cooke, Crane, Crockett, Culberson, Dawson, Dimmit, Duval, Eastland, Ector, Edwards, Erath, Gaines, Garza, Grayson, Hemphill, Hidalgo, Hood, Howard, Hudspeth, Jeff Davis, Jim Hogg, Jim Wells, Kenedy, Kimble, Kleberg, Live Oak, Martin, Mason, Maverick, McCulloch, Medina, Menard, Midland, Nueces, Palo Pinto, Parker, Pecos, Potter, Presidio, Randall, Reagan, Real, Refugio, Roberts, Runnels, Starr, Terrell, Tom Green, Upton, Wichita, Willacy, Williamson, Winkler, Wise, Zapata, and Zavala counties.	TxGov
Governor Abbott Renews COVID-19 Disaster Declaration In June 2022	Proclamation June 21, 2022	Governor Greg Abbott renewed his March 13, 2020, proclamation extending his Disaster Declaration for all 254 Texas counties in response to COVID-19. Originally issued in March 2020, 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

SUPERVISORY UPDATE NEWS SUMMARY

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Governor Abbott Issues Drought Disaster Declaration In July 2022	Proclamation July 8, 2022	<p>Texas Governor Greg Abbott issued a Disaster Declaration in 164 counties due to exceptional drought conditions that pose a threat of imminent disaster.</p> <p>Included in the proclamation were Andrews, Aransas, Armstrong, Atascosa, Austin, Bailey, Bandera, Baylor, Bee, Bell, Bexar, Blanco, Borden, Bosque, Brazoria, Brewster, Briscoe, Brown, Burnet, Caldwell, Calhoun, Callahan, Cameron, Camp, Castro, Chambers, Childress, Cochran, Coke, Coleman, Colorado, Comal, Comanche, Concho, Coryell, Cottle, Crane, Crosby, Culberson, Dallam, Dawson, Deaf Smith, DeWitt, Dickens, Dimmit, Eastland, Ector, Edwards, Ellis, Erath, Fisher, Floyd, Foard, Fort Bend, Franklin, Frio, Gaines, Galveston, Garza, Gillespie, Glasscock, Goliad, Gonzales, Guadalupe, Hale, Hall, Hamilton, Hansford, Hardeman, Harris, Hartley, Haskell, Hays, Hidalgo, Hill, Hockley, Hood, Howard, Hudspeth, Irion, Jackson, Jeff Davis, Jefferson, Johnson, Jones, Karnes, Kendall, Kent, Kerr, Kimble, King, Kinney, Knox, La Salle, Lamb, Lampasas, Lavaca, Live Oak, Llano, Loving, Lubbock, Lynn, Martin, Mason, Matagorda, Maverick, McCulloch, McLennan, McMullen, Medina, Midland, Mills, Mitchell, Moore, Motley, Navarro, Nolan, Oldham, Orange, Parker, Parmer, Pecos, Potter, Presidio, Randall, Real, Reeves, Refugio, Roberts, Rockwall, Runnels, San Patricio, San Saba, Schleicher, Scurry, Shackelford, Sherman, Somervell, Stephens, Sterling, Stonewall, Sutton, Swisher, Tarrant, Taylor, Terrell, Terry, Tom Green, Travis, Upton, Uvalde, Val Verde, Victoria, Waller, Ward, Webb, Wharton, Wichita, Wilbarger, Williamson, Wilson, Winkler, Yoakum, and Zavala counties.</p>	TxGov
Governor Abbott Renews Drought Disaster Declaration In July 2022	Press Release July 15, 2022	<p>Texas Governor Greg Abbott extended a July 8 Disaster Declaration originally issued for 164 counties due to exceptional drought conditions that pose a threat of imminent disaster.</p> <p>Added to the declaration were the counties of Anderson, Carson, Collingsworth, Dallas, Donley, Duval, Falls, Freestone, Gregg, Henderson, Hutchinson, Kaufman, Lamar, Limestone, Menard, Nueces, Ochiltree, Rains, Reagan, Starr, Upshur, Van Zandt, Walker, Wood, and Zapata.</p>	TxGov

SUPERVISORY UPDATE NEWS SUMMARY

INDUSTRY PUBLICATIONS

Department of Banking - [Banker Economic and Business Survey](#) – Second Quarter 2022 Results

FDIC - [Consumer Compliance Examination Manual](#) - June 29, 2022

FRB [Beige Book](#) - Summary of Commentary on Current Economic Conditions – July 13, 2022

FRB - [Senior Loan Officer Opinion Survey on Bank Lending Practices](#) - May 2022

FRB - [Monetary Policy Report](#) - June 17, 2022

FRB - [Community Banking Connections](#) – Second Issue 2022 - Articles include: President Esther George Reflects on Her 40-Year Career at the Fed and the Importance of Community Banks; View from the District: Preparation and Flexibility Brought Banks Through the Storm; and The Case for the Community Banking Business Model: Lessons Learned from COVID-19

FRB Dallas - [Southwest Economy](#) – Second Quarter 2022 - Articles include: Looking Back: Harris County Five Years After Hurricane Harvey Hit; Changing Economy Likely to Test Banks as Stimulus Ends, Growth Slows; Houston Still an Energy Town, Largely Pins Growth on the Sector; and Crypto Miners Eye Texas for Energy Abundance; Banks View Digital Entrée

FRB Dallas - [Your Texas Economy](#) - An overview of the Texas economy as of June 17, 2022, examining job growth, unemployment trends, and the performance of key industry sectors

FRB Kansas City - [Increased Loan Demand and Higher Interest Rates May Benefit Ag Banks](#) (National) - July 13, 2022

FRB Saint Louis - [Was the Paycheck Protection Program Effective?](#) (National) - July 6, 2022

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