



# Supervisory Update News Summary

AS OF SEPTEMBER 15, 2023

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Banking Commissioner Names Gregory Cole Wisian Houston Regional Director	<a href="#">Press Release</a> Aug. 16, 2023	Texas Banking Commissioner Charles G. Cooper announced the appointment of Gregory Cole Wisian as Houston Regional Director of the Bank and Trust Supervision Division. The appointment is effective September 1.	TDB
Annual Assessment Reduction	<a href="#">Press Release</a> Aug. 22, 2023	Commissioner Charles G. Cooper announced that the 2024 annual assessment for the period of September through August will be reduced by at least 20%, per quarter for all Texas state-chartered banks and foreign bank agencies and branches operating in Texas.	TDB
Banking Commissioner Names Jared Whitson Director of Bank and Trust Supervision	<a href="#">Press Release</a> Sept. 5, 2023	Texas Banking Commissioner Charles G. Cooper announced the appointment of Jared A. Whitson as the Director of Bank and Trust Supervision. The appointment is effective immediately.	TDB
Supervisory Memorandum 1006 – Request for Reconsideration of Examination Findings	<a href="#">Policy and Guidance</a> Sept. 7, 2023	Texas Banking Commissioner Charles G. Cooper issued Supervisory Memorandum 1006 which addresses the proper process for submitting a Reconsideration of an Examination Finding. The policy applies to all entities regulated by the Texas Department of Banking. The policy was revised to update a reference to the Non-Depository Supervision Division.	TDB

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FDIC Makes Public July Enforcement Actions	<a href="#">PR-64-2023</a> Aug. 25, 2023	<p>The FDIC released a list of orders of administrative enforcement actions taken against banks and individuals in July 2023. There is one administrative hearing scheduled for September 2023.</p> <p>Included in this list were an Order to Pay a civil money penalty and an Order or Prohibition from Further Participation related to David C. Cantu, formerly of First Community Bank, Corpus Christi.</p>	FDIC
FDIC Issues List of Banks Examined for CRA Compliance	<a href="#">PR 70-2023</a> Sept. 5, 2023	<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 June 2023.</p> <p>Included in this list were five Texas state-chartered bank which received a rating of Satisfactory.</p>	FDIC
FDIC Announces Start of Marketing Process for \$33 Billion Commercial Real Estate Loan Portfolio of Former Signature Bank, New York	<a href="#">PR 71-2023</a> Sept. 5, 2023	<p>The FDIC announced the start of a marketing process for the approximately \$33 billion Commercial Real Estate (CRE) loan portfolio retained in receivership following the failure of Signature Bank, New York, New York.</p>	FDIC

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TITLE	TYPE/DATE	DESCRIPTION	SOURCE
FDIC-Insured Institutions Reported Net Income of \$70.8 Billion in Second Quarter 2023	<a href="#">PR 72-2023</a> Sept. 7, 2023	Reports from 4,645 commercial banks and savings institutions insured by the FDIC reflect aggregate net income of \$70.8 billion in second quarter 2023. Though second-quarter net income decreased by \$9.0 billion (11.3 percent) from first quarter 2023, after excluding the effects on acquirers' incomes of their acquisition of three failed banks in 2023, quarter-over-quarter net income would have been roughly flat for the second consecutive quarter. Declines in noninterest income, reflecting the accounting treatment of the acquisition of three failed institutions, lower net interest income, and higher provision expenses were the drivers of the decline in net income. These and other financial results for second quarter 2023 are included in the FDIC's latest Quarterly Banking Profile.	FDIC
FDIC Releases Report Detailing Supervision of the Former First Republic Bank, San Francisco, California	<a href="#">PR 73-2023</a> Sept. 8, 2023	FDIC Chief Risk Officer Marshall Gentry released <i>FDIC's Supervision of First Republic Bank</i> , an internal review evaluating the agency's supervision of First Republic Bank, San Francisco, California, from 2018 until its failure in May 2023. The report provides information on the causes of First Republic Bank's failure and evaluates the FDIC's supervision of the bank. The review was conducted at the request of FDIC Chairman Martin J. Gruenberg.	FDIC
FinCEN Issues Alert on Prevalent Virtual Currency Investment Scam Commonly Known as "Pig Butchering"	<a href="#">Press Release</a> Sept. 8, 2023 <a href="#">FIN-2023-Alert005</a> Sept. 8, 2023	FinCEN issued an alert to highlight a prominent virtual currency investment scam known as "pig butchering." Multiple U.S. law enforcement sources estimate victims in the United States have lost billions of dollars to these scams and other virtual currency investment frauds.  FinCEN's alert explains the scam's methodology; provides behavioral, financial, and technical red flags to help financial institutions identify and report related suspicious activity; and reminds financial institutions of their reporting requirements under the Bank Secrecy Act.	FinCEN

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OCC Reports Second Quarter 2023 Bank Trading Revenue	<a href="#">NR 2023-104</a> Sept. 14, 2023	In the report, <i>Quarterly Report on Bank Trading and Derivatives Activities</i> , the OCC reported cumulative trading revenue of U.S. commercial banks and savings associations of \$13.7 billion in the second quarter of 2023. The second quarter trading revenue was \$3.9 billion, or 22.4 percent, less than in the previous quarter and \$3.3 billion, or 31.7 percent, more than in the second quarter of 2022.	OCC
Governor Abbott Renews Drought Disaster Declaration in August 2023	<a href="#">Proclamation</a> Aug 22, 2023	Governor Abbott amended and renewed a July 8, 2022, disaster proclamation certifying that exceptional drought conditions posed a threat of imminent disaster in several counties. The proclamation excludes Colorado county.	TxGov
Governor Abbott Renews Wildfire Disaster Declaration In September 2023	<a href="#">Proclamation</a> Sept. 1, 2023	Governor Abbott amended and renewed a disaster proclamation issued on August 11, 2023, certifying that wildfires that began on July 24, 2023, posed an imminent threat of widespread or severe damage, injury, or loss of life or property in several counties. This declaration now includes over 200 counties.	TxGov

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INDUSTRY PUBLICATIONS
Department of Banking – <a href="#">Agency Profile</a> - Data as of June 30, 2023 (September 2023)
Department of Banking – <a href="#">Overall Texas Banking Activity</a> (September 2023)
Department of Banking – <a href="#">Top 100 Banks in Texas</a> (September 2023)
FDIC – <a href="#">Quarterly Banking Profile</a> – Report Date June 30, 2023 (September 2023)
FRB – <a href="#">Beige Book</a> - Summary of Commentary on Current Economic Conditions (September 6, 2023)
FRB Dallas - <a href="#">New office buildings rise on Texas skyline despite difficult market</a> (September 2023)
FRB Kansas City – <a href="#">The Controversial Business of Cash-to-Crypto Bitcoin ATMs</a> (August 2023)
FinCEN – <a href="#">Financial Trend Analysis - Trends in Bank Secrecy Act Data: Suspected Evasion of Russian Export Controls</a> – (September 2023)
OCC - <a href="#">Quarterly Report on Bank Trading and Derivatives Activities</a> (September 2023)

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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="#">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="#">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
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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<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