

Texas Department of Banking

Press Release

Banking Commissioner Files Lawsuit against the Comptroller of the Currency

Date: September 8, 1995

Catherine A. Ghiglieri, Texas Banking Commissioner, filed a lawsuit against the Comptroller of the Currency in the United States District Court for the Northern District of Texas, Dallas Division. Commissioner Ghiglieri is seeking a declaratory judgment that the OCC's decision allowing Commercial National Bank of Texarkana, Arkansas to relocate to Texarkana, Texas and retain branches in Arkansas violates federal and state law prohibiting interstate branching. Commissioner Ghiglieri has also named Commercial National Bank as a defendant in this suit and nonsuited the existing lawsuit against the bank in state court in Texarkana.

Commissioner Ghiglieri, an 18-year veteran of the OCC, states that "We are not opposed to this bank entering Texas to conduct business, but we want them to do it in a lawful manner."

Commissioner Ghiglieri, in explaining this new suit, stated that "This Department acted with all due dispatch when we learned on Friday, August 25, 1995, that the bank had moved into Texas and was conducting business. We were on a plane to Texarkana at 1:00 p.m. after learning at 9:00 a.m. of the move. The judge reset the temporary injunction hearing to allow for a more complete briefing of the issues. During this period, we concluded that the Comptroller of the Currency should be a party to a suit in federal court in Dallas."