

# **Texas Department of Banking**

## **Press Release**

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### **Banking Commissioner Signs Nationwide Supervisory Agreements**

Date: November 14, 1996

"A new era of banking is one step closer," said Texas Banking Commissioner Catherine A. Ghiglieri today as she signed the Nationwide Cooperative Agreement and Nationwide State/Federal Supervisory Agreement for the coordinated supervision of multi-state, state-chartered banks. The nation's state banking departments, the Federal Deposit Insurance Corporation and the Federal Reserve Board unanimously approved the agreements at a meeting of the Conference of State Bank Supervisors (CSBS), the professional association of state bank regulatory officials.

The nationwide agreements are the culmination of two years of work toward a system of "seamless supervision" for multi-state, state-chartered banks. The agreements build on the Framework for Cooperative Agreement and State-Federal Protocol approved earlier this year, as well as regional agreements signed in the Mid-Atlantic, Western, Midwestern and New England states.

The agreements provide a single regulatory point of contact at both state and federal levels for state-chartered banks that operate in more than one state. Federal regulators will work in similar fashion, designating a single region as responsible for the overall supervision of a multi-state bank.

"These documents represent landmarks in cooperation, not only among the 50 state banking departments, but also between the states and the federal banking agencies responsible for state bank supervision. Although Texas has opted out of interstate branching, it is important that Texas be a part of any agreement to supervise banks operating in multiple states. The Texas banking system, with \$200 billion in assets, is one of the largest in the country and many out-of-state banks do business in this State. These agreements underscore that the State charter is a viable option for banks operating interstate and that seamless supervision can be achieved in the state banking system."

Copies of both agreements are available from the Texas Department of Banking or from CSBS, 1015 18th Street, N. W., Washington, D. C. 20036.