

MEDIA RELEASE / October 2, 2006

**Conference of State Bank Supervisors
1155 Connecticut Avenue, NW, 5th Floor, Washington, DC 20036**

CSBS: Regulatory Relief Bill Gives State Bank System Stronger Voice In Washington

Washington, D.C. —The Conference of State Bank Supervisors today applauded Congress for passing regulatory relief legislation (S. 2856).

The Financial Services Regulatory Relief Amendments Act of 2006 contains several key provisions sought by the Conference of State Bank Supervisors. These include:

- establishing the chairman of the State Liaison Committee as a full voting member on the Federal Financial Institutions Examination Council;
- improving the supervision of multi-state, state-chartered banks by recognizing the CSBS interstate cooperative agreements and prohibiting unilateral fees on host state branches; and
- increasing from \$250 million to \$500 million the asset size of well-capitalized, well-managed institutions eligible for the extended 18-month exam cycle.

"CSBS congratulates Rep. Jeb Hensarling of Texas and Idaho Sen. Mike Crapo, who sponsored the bill, and House Financial Services Committee Chairman Michael Oxley and Senate Banking Committee Chairman Richard Shelby and ranking minority members of the Senate Banking Committee and the House Financial Services Committee, Maryland Sen. Paul Sarbanes and Rep. Barney Frank of Massachusetts, for their diligence in getting this bill approved this session," said CSBS President and CEO Neil Milner.

"In particular, we are extremely pleased that the measure provides for state bank regulators, who charter more than 70 percent of the banks nationwide, to have a vote on the Federal Financial Institutions Examination Council," he said.

This important provision will allow state bank regulators to have a voice in policy-making at the federal level.

Massachusetts Commissioner of Banks Steven L. Antonakes currently chairs the State Liaison Committee and will fill the FFIEC state seat.

According to CSBS, the bill clarifies the primary role of the home state supervisor for its interstate banks. The bill also prohibits host states from unilaterally assessing out-of-state, state-chartered institutions.

Milner said the legislation will help gives state banking a stronger voice in Washington.

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The Conference of State Bank Supervisors is the nationwide organization for state banking, representing the bank regulators of the 50 states, the District of Columbia, Guam, Puerto Rico and the Virgin Islands, and approximately 6,200 state-chartered financial institutions. The Conference is responsible for defending state authority to determine banking structure and the products and services state-chartered institutions can offer and for improving the quality of state bank supervision by providing department performance evaluation and accreditation programs and supervisory education/training programs for state banking department personnel.

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