“Those only keep their liberties who accord liberty to others.”

— Benjamin Harrison, 23rd President of the United States, was born on this day in 1833

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Congress, Not the OCC, Decides What is and Isn't a Bank

CSBS President and CEO John W. Ryan explained why the OCC cannot define a bank charter in an American Banker op-ed published this week:

The Office of the Comptroller of the Currency continues to overstep its reach by calling anything that touches money a bank. And in the process, preempt local authority that protects consumers and the entire financial system.

This pattern of the OCC’s flouting congressional limits on its
authority must stop. This is a federal banking regulator that should be reminded — again — that only Congress can define a bank.

Congress defines a bank as an institution that takes deposits. A bank can also make loans or process payments, but the deposits function is not optional.

Read the entire BankThink article here.

Simply Stated #16: FDIC Chairman Jelena McWilliams - Community Banks, Supervision, And the Future

During the summer months, we're re-running some of our favorite episodes of the Simply Stated podcast. On this episode, host Matt Longacre is joined by CSBS President & CEO John W. Ryan and FDIC Chairman Jelena McWilliams for an informative conversation about the role community banks play in the American financial ecosystem and how they will be impacted by the advent of new technology.

Supervising banks anywhere is hard work, but there’s an extra challenge when supervising institutions in the United States. The U.S. has more banks – operating under a greater variety of business models – than any other nation in the world.

These banks can be globally, nationally or locally-focused. Some of those most locally-focused banks are commonly referred to as “Community Banks.” Community banks have played an important role in serving rural areas, towns and cities for more than a century.

But supervising and truly understanding so many institutions with such diverse purposes
and goals requires regulators and leaders truly “in the know” about America’s diverse localities.

On this episode of Simply Stated, host Matt Longacre sits down with two of the most “in the know” people there are when it comes to community banks. How do we go about understanding them? How has what we’ve learned impacted our view of the nation’s financial system as a whole? What does a fintech-filled future hold for America’s uniquely-diverse banking system?