"Never underestimate the power of the eyebrow."

? comedian Jack Black was born on this day in 1969

In this Issue...

- Students to Study Community Bank Response to Pandemic and Racial Inequality
- State Regulators Seek Industry Input on Mortgage Loan Originators Licensing Test

Students to Study Community Bank Response to Pandemic and Racial Inequality

The Conference of State Bank Supervisors is calling on students to examine how community banks have responded to major forces that impacted the nation this year: the Covid-19 pandemic and a renewed commitment to diversity and inclusion.

“This year brought enormous health, economic and social challenges to the nation,” said CSBS Senior Executive Vice President Michael L. Stevens. “Students will provide a vital look at how community banks pivoted to serve their communities during the pandemic and resulting economic crisis, as well as how they are evaluating their culture and practices after the outcry of racial injustice across the nation this summer.”

Registration for the 2021 Community Bank Case Study will begin on Tuesday,
September 8, with all statements of interest due by Jan. 11, 2021.

The annual competition is open to undergraduate students in all fields of study as an opportunity to gain valuable first-hand knowledge of the banking industry. Student teams will partner with local community banks to conduct original case studies.

The top three winners receive scholarships, and their work will be published in the CSBS Journal of Community Bank Case Studies. The first-place winner will also be invited to present at the CSBS-Federal Reserve-FDIC Community Banking in the 21st Century Research and Policy Conference.

A team from Mississippi State University won the 2020 case study competition, which focused on the impact of the Bank Secrecy Act and anti-money laundering requirements on community banks. The students will present their findings at this year’s research conference on October 1.

State Regulators Seek Industry Input on Mortgage Loan Originators Licensing Test

State financial service regulators launched a survey of licensed mortgage loan originators this week to gather information on various job functions as part of a process to validate the nationwide licensing exam.

All state-licensed mortgage loan originators received an email invitation to participate in the survey from the State Regulatory Registry, which manages the Nationwide Multistate Licensing System on behalf of state regulators. License holders who do not complete the survey will receive a follow-up email. The survey closes on Sept. 25.

The survey will inform a job analysis of mortgage originators as part of a process to
ensure the validity of the SAFE MLO National Test. A job analysis is a standard practice in the testing industry to ensure licensure or certification exams reflect the knowledge and skills needed for a given profession.

Justin Accola, chair of the Mortgage Testing and Education Board, and supervisory compliance examiner at the Texas Department of Savings and Mortgage Lending: “I hope every licensee will take the survey to make sure we accurately test the knowledge and skills an MLO needs today. Restricting licenses to proficient new mortgage loan originators will help protect consumers from would-be bad actors.”


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 Senior Policy Analyst Joey Samowitz for a discussion about the future of real-time payments.

Host: Matt Longacre,
Guest: Joey Samowitz, Senior Analyst, Policy, Conference of State Bank Supervisors

Paying someone feels so simple nowadays, right?

Whenever I go out to dinner with friends and we need to split the check, they just tell me to “Venmno them” or “Paypal them” or “Zelle them” (Okay, nobody’s ever actually told me to Zelle them, but you get my point).

And even the old, "slow" systems seem faster! When I get a check, my bank lets me
snap a photo of it and deposit it.

But even though the transaction kind of feels instant, it’s still anything but. When I add that check to my account, it says “Pending.” And the bank tells me to hang onto that check for a couple days in case something goes wrong.

It turns out that, behind the scenes, there’s a vast system of machinery working to make sure the little bits and bytes of data on my phone represent real transactions.

They want to be sure that everyone actually has the money they say they have and that the money is getting safely from bank A to bank B. That process can still take a while to complete.

In recent years, there’s been a new obsession with something called “Real-Time Payments.” It’s the idea that all this should be able to happen (the movement of the money, the confirmation that person A has the funds, the deposit into person B’s account) instantaneously.

On this episode, I talk to an expert who knows more about the hard work going into making payments faster. We talk about how checks cleared before, where we are today, and what new and innovative “Real-Time Payments systems” mean for the future.