[Meet the New CSBS Chair: Commissioner Rhoshunda Kelly](#)

BLOG POST

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Mississippi's Rhoshunda Kelly was elected Chair of the CSBS Board of Directors on May 12, 2026. This is her fifth year serving on the CSBS Board of Directors Executive Committee. Kelly has led the Mississippi Department of Banking and Consumer Finance since 2021 and has more than 25 years of financial regulatory experience. As Commissioner, Kelly ensures effective agency operations and oversees $127 billion in state-chartered banking assets. She also manages the licensure and supervision of more than 8,000 consumer finance and mortgage licenses, representing 11 financial industries.

Q1: What are your top priorities as CSBS Chair?

My priorities as CSBS Chair include initiatives that span the nation-wide framework for supervision of banking and other financial services to CSBS operations. While I am passionate about my platform as Chair, I didn't come up with these priorities on my own. These initiatives represent the sentiment of my colleagues across the state system. Moreover, they aren't new — many mirror concerns expressed over the decades by past CSBS Chairs.

One of my top priorities is preserving the benefits of the dual banking system. There is a growing narrative in Washington that a single federal standard is inherently superior to varying state standards. But while uniform federal standards can be appropriate and beneficial in certain circumstances – they should remain the exception rather than the rule.

The overly broad application of federal preemption undermines the diversity and flexibility offered by the dual banking system and, ultimately, stifles innovation. It also weakens local economic accountability and oversight, allowing risk to build undetected within the financial system and undermining public trust. Maintaining meaningful parity between state and federal charters supports a competitive, innovative, and safe financial system by preventing excessive concentration of regulatory authority.

My colleagues and I are passionate about the dual banking system, consumer protection, and our role in supporting state and local economies. I want us all to be more engaged at the national level. Our voice provides policy makers with a more detailed understating of the role of state supervision in enhancing local economic accountability and local control of financial services. Federal regulators will never understand our states better than we do, and federal policy should reflect that critical component of the dual banking system.

We also want to continue to build on the strength of state financial services supervision through a more robust framework for supervising the largest mortgage servicers, continued investment in digital platforms that support the state system, and enhanced examiner training — potentially by establishing a centrally located CSBS Examiner Learning Center. Together, these efforts will strengthen the state system from within — helping protect consumers, promote financial stability, and maintain the relevance of the state charter.

Q2: The federal banking agencies are focused on tailoring regulatory and supervisory expectations for banks. Where are the states on these efforts?

State supervisors have been calling for the right-sizing of federal banking supervision for many, many years. I want to continue working with our federal partners to strike the right balance of tailored and effective supervision. Meaningful tailoring should reduce unnecessary compliance burdens, provide transparent standards, and preserve essential examiner discretion. Getting this balance right is vital for a stable and durable system for the regulation and supervision of financial services.

Bank supervision is not a math problem. It entails careful consideration of material financial risks, as well as identification of material governance, risk management, and legal and compliance risks. Well-run financial institutions manage all components of financial, governance, and operational risks. Institutions that fail to meet clear legal and regulatory expectations and do not mitigate material risks in a timely fashion place themselves and the broader financial system at risk.

Q3: What are the biggest threats to the community bank model?

Community banks are absolutely critical to the financial fabric of the United States. The biggest threats to the community bank model are pressures from competition, innovation, changing business models, and the unlevel regulatory playing field created with national trust charters and preemption.

Costs of capital, technology, personnel, and compliance force all institutions to scale, but these pressures are forcing many of our nation's community banks to sell or leave the market. And, as they disappear, they take crucial access to financial services with them — particularly for small businesses, farmers, and rural communities.

My colleagues and I are equally frustrated with recent steps by the OCC to expand the authorities of national trust charters far beyond the bounds of the National Bank Act. The efforts to water down the standard for federal preemption of state consumer protection laws also create an unlevel playing field for national banks at the expense of state charters and to the detriment of local economies.

Community banks must be allowed to compete with new market entrants and to innovate and deploy new technologies as necessary to remain relevant. This will require a coordinated federal and state effort to set clear policy and supervisory expectations. We cannot afford a financial system that does not include community banks at its core.

Q4: What prepared you for this role?

Over the last 25 years, I have served in every position in the supervisory career track at the Mississippi Department of Banking and Consumer Finance. During that time, I've gained a deeper understanding of the importance of each of those positions to Mississippi. I have also learned first-hand about the broader contributions of state supervisors across the country to the health of our financial system.

My Mississippi experience includes time spent in the field, starting as an examiner trainee, moving to examiner-in-charge roles, and eventually taking responsibilities as a review examiner. I learned the importance of effectively identifying and communicating risks to institutions. How to set clear supervisory expectations for timely resolution of financial and operational weaknesses. As a field examiner, I appreciated the discretion the role allowed in working with regulated institutions to address real risks to their operations and their customers.

Migrating into more administrative roles, such as Director of Bank Supervision, Deputy Commissioner, and now Commissioner, has provided me with broader appreciation of engagement with fellow state regulators, federal regulators, policy makers, and other industry groups. Supervision absent credible engagement, consistent coordination, and active collaboration isn't effective and isn't sustainable.

I understand the work that state regulators do, but more importantly, I understand why we do it. We live in the communities that many of our institutions serve. We want these institutions to remain the backbone of our communities and an economic driver in our states.

So, to answer your question, the perspectives that I've gained in the field and in leadership, along with the shared purpose and passion of fellow state regulators, have prepared me for this role.

Q5: How do you envision leading an organization of 54 unique state member agencies with one voice?

While we are 54 unique state member agencies, there is more that unites us than divides us. As state regulators, we all want strong, competitive, and innovative financial markets in our states. We want a supervisory framework that protects consumers, promotes safety and soundness, and is tailored to the size and complexity of our chartered institutions. We want a dual banking system that respects the authorities and responsibilities of both state and federal government. And lastly, we want to preserve charter choice. To accomplish that, we need to preserve the dual banking system. There is a lot of alignment around these sentiments among my state counterparts, and I plan to lean into these common goals over the next 12 months.