

Remarks

by

Keith A. Noreika

Acting Comptroller of the Currency

at the

OCC Minority Depository Institutions Advisory Committee

June 27, 2017

I'd like to thank all of you for participating as a member of the OCC's Minority Depository Institutions Advisory Committee and welcome our new members to your first meeting of the group. I am glad to join you this morning, and look forward to hearing about your institutions and the discussion on ways to promote a vibrant and diverse banking system that benefits consumers, communities, and businesses. I strongly believe in the values and mission of the OCC and am honored to be the Acting Comptroller.

Minority depository institutions (MDIs) are an important segment of the federal banking system. This advisory committee provides a valuable forum to support the OCC's understanding of the opportunities and challenges facing MDIs. In particular, your contributions to the development of the OCC's Collaboration White Paper and Roundtables are two examples of how this advisory group has offered perspectives, concepts and strategies to assist MDIs.

Over the past year, our collaboration roundtables have brought OCC-supervised MDIs and large and midsize financial institutions together to identify ways to better collaborate and create mutually beneficial relationships. This has been a model to demonstrate how regulators and banks can come together to identify and share opportunities that support minority banks and

thrifts. The concepts that have emerged from these events have already led to several concrete initiatives, such as, loan participations with midsize banks and the use of larger banks' ATM networks. We expect these types of collaborative opportunities will continue to grow.

Each of you represents institutions that serve as vital resources for your respective communities. You provide services that the families and small businesses in your communities need and want. At the same time, you work to be competitive and comply with the rules and requirements of the OCC. I understand the challenges you face, and look forward to hearing more from you about those challenges and the possible opportunities before you. I am interested particularly in the unique governance and operational features of MDIs and how today's regulatory and supervisory environment affects your institutions.

I also look forward to discussing what the OCC can do to ensure national banks and federal savings associations in general remain a vibrant part of the industry and communities across the nation. The federal banking system is, and should be, a source of strength for the nation and its economy. When it is running well, it is capable of powering tremendous growth and economic prosperity for consumers, businesses, and communities across the country. Our job is to find that balance where supervision effectively ensures safety, soundness, and compliance while at the same time we don't waste opportunities through unnecessary burden or by fostering an environment so risk averse that banks fail to lend. It has been 10 years since the crisis and seven years since the passage of the Dodd-Frank Act. I think that now is a good time to take stock of the rules implemented and actions taken to ensure our nation has the right sense of balance and coherence in regulating financial institutions. We need a system that encourages economic growth, while maintaining the strength in our financial institutions. Regulation doesn't work when it cuts off investment,

and banks can't fulfill their public purpose if they can't support their customers, business, and communities. I'd be very interested in hearing what you think we can do in this area as well.

Again, thank you for being a member of the OCC's Minority Depository Institutions Advisory Committee. I look forward to a productive meeting.