

Press Releases

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OTS 96-49 - OTS Issues New Guidelines for Appealing Agency Decisions

Office of Thrift Supervision

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OTS ISSUES NEW GUIDELINES FOR APPEALING AGENCY DECISIONS

WASHINGTON, D.C., July 15, 1996 -- Savings and loans have been given revised guidelines to appeal decisions by their federal regulator. The Office of Thrift Supervision (OTS) published the guidelines in today's edition of the Federal Register, effective immediately.

The new OTS guidelines go further than the requirements set forth in the Community Development and Regulatory Improvement Act of 1994 (CDRIA), by permitting savings associations to appeal nearly all supervisory decisions and examination findings as well as decisions on applications filed by institutions. CDRIA required an appeals process only for "material supervisory determinations." The guidelines may be used to appeal supervisory actions affecting individuals or affiliates of savings associations.

The guidelines also set forth the duties of the OTS ombudsman, who acts as a liaison between OTS and persons dealing with the agency. Safeguards are in place to encourage complainants to come forward and, if desired, preserve their confidentiality when talking with the ombudsman. Protections also have been established to prevent retaliation by OTS employees if an institution files an appeal.

Some actions, however, cannot be challenged through the supervisory appeals process. CDRIA specifically exempts OTS decisions to appoint a conservator or receiver and decisions to take prompt corrective action under provisions of the Federal Deposit Insurance Act. Excluded, as well, are preliminary examination results and formal enforcement-related actions.

OTS emphasized that open discussions with examination and supervisory staff at the regional level are a productive means to address concerns of a savings association. Thus OTS encourages associations to attempt to resolve issues directly with regional OTS staff before pursuing an appeal to OTS in Washington, DC. Appeals to Washington will be filed with the OTS executive director, supervision, who will make the final decision, generally within 60 days.

The new guidelines pick up most of the current appeal guidelines, which were set forth in September 1993 in Regulatory Bulletin 4a, and are similar to those proposed in December

1994, which addressed only supervisory appeals. The guidelines published today will also be issued as Thrift Bulletin 68.

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The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS' mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents call PubliFax at 202/906-5660, or visit the OTS web page at www.ots.treas.gov.