Supervisory Update News Summary

AS OF JUNE 15, 2026

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
FFIEC SLC Chairman Charles Cooper Statement on CAMELS update	Press Release May 19, 2026	Texas Banking Commissioner and Federal Financial Institutions Examination Council's (FFIEC) State Liaison Committee (SLC) Chairman Charles G. Cooper today issued the following statement on the FFIEC's CAMELS update: "For nearly 50 years, the Uniform Financial Institutions Rating System, known as CAMELS, has provided a framework for federal and state regulators to assess and communicate the level of safety and soundness of an institution. This framework has become foundational in safeguarding our financial system, as Congress intended. It is appropriate that CAMELS be reviewed for updates consistent with changes in the financial sector and associated risks. Revisiting the focus and framing of the CAMELS system should promote transparency, fairness, and accountability while improving the guardrails needed for a sustainable system."	CSBS, FFIEC
Agencies Request Comment on Financial Institutions Rating System	Press Release May 19, 2026	The FFIEC invited public comment on proposed revisions to the uniform financial institutions rating system, commonly known as CAMELS, to focus on material financial risk and improve the transparency of ratings. The public is encouraged to submit comments within 90 days of publication in the Federal Register through the Federal eRulemaking Portal. Regulators use the CAMELS rating system to evaluate the safety and soundness of financial institutions and identify those institutions requiring heightened supervisory attention or other supervisory action. Under this rating system, supervisors assign a composite rating to each institution and rate six components—capital adequacy, asset quality, management, earnings, liquidity, and sensitivity to market risk. The CAMELS rating system is a critical tool for supervisors to assess, identify, and communicate threats to the safety and soundness of financial institutions.	CSBS, FDIC, FFIEC, FRB

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
FDIC Stablecoin Rules Must Respect State Authority and Address Issuer Risks	Press Release June 9, 2026	In a comment letter, the CSBS recommended changes to the FDICs proposed rule to implement the GENIUS Act. The proposed changes would better reflect state authority and address issuer risks. CSBS urged the FDIC to respect states' inherent authority over state-chartered insured depository institutions and their subsidiaries and to strengthen coordination and information sharing with state regulators to streamline oversight. CSBS also recommended scaling risk-based capital requirements to reflect the size of an issuer's balance sheet, the composition of its assets, and the risks associated with its authorized activities, including those of digital asset service providers. Combined with GENIUS Act reserve requirements, these capital standards would help protect individual issuers and the broader stablecoin market from run risks and financial distress.	CSBS
Texas Banking Commissioner Approved De Novo Bank Charter for Houston Bank & Trust, Houston, Texas	Press Release May 22, 2026	Texas Banking Commissioner Charles G. Cooper announces the opening of Houston Bank & Trust, Houston, Texas, the first de novo state bank charter approved since April 2022. The bank is anticipated to serve customers primarily in the Houston Metropolitan Statistical Area, with a focus on Harris and Montgomery counties. Houston Bank & Trust is opening on May 22, 2026, with a minimum capital amount of $35 million. Organizers and board members include A.A. (Trey) Henderson III, who will serve as Chairman; Mark Simmons who will serve as Chief Executive Officer, and Mark Jacobs who will serve as President and Chief Lending Officer. Other organizers and board members include Rebecca Bayless, John Blanchard, James Doyle, Ryan Edone, Lauren Kingry, David Preng, Judson Robinson III, and James Shelton.	TDB

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Texas Banking Commissioner Issues Consent Order against Kelsi Marie Karr Prohibiting Further Participation	Press Release June 1, 2026	Texas Banking Commissioner Charles G. Cooper issued a Consent Order Prohibiting Further Participation (Order) on May 29, 2026, against Kelsi Marie Karr of Amarillo, Texas. Karr was formerly an employee at Western Bank in Amarillo, Texas. The Commissioner determined that Karr's actions satisfied the statutory requirements for the issuance of a prohibition order as set forth in Texas Finance Code § 35.003. Specifically, Karr stole cash from her teller drawer. Karr agreed to the issuance of the Order without admitting or denying violations of state or federal laws or regulations.	TDB
Agencies Remove Additional References to Reputation Risk	Press Release June 2, 2026	The agencies are taking this action to complement their earlier actions that ended the use of reputation risk in supervision. As the agencies have previously noted, reputation risk can be misused by supervisors as a basis to encourage or pressure a bank to restrict individuals' and legal businesses' access to financial services due to their constitutionally protected political or religious beliefs, speech, or conduct or lawful business activities. These updates help ensure supervisory decisions are based on material financial risks, as well as increase clarity and facilitate greater precision in supervisory decision making. The updates to the interagency documents are limited to removing references to reputation risk FIL-27-2026.	FDIC, FRB, OCC
Joint Rule Establishing Data Standards under the Financial Data Transparency Act of 2022	FIL-28-2026 June 10, 2026	The Final Rule, which is designed to promote interoperability of financial regulatory data across the Agencies, establishes data standards for the collections of information reported to each Agency, as required by the FDTA. With respect to the FDIC, the Final Rule adds a new Subpart D to 12 C.F.R. Part 304, the FDIC's regulations on "Forms, Instructions, and Reports." The standards established pursuant to the Final Rule would later be considered by the FDIC and the other Agencies for potential incorporation (to the extent feasible) into data standards to be adopted for certain collections of information in separate rulemakings by the Agencies.	FDIC, FRB, OCC, CFPB, SEC, and Treasury

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
FDIC Board Approves Proposal to Address Bank Secrecy Act and Sanctions Compliance Standards for FDIC-Supervised Permitted Payment Stablecoin Issuers	FIL-24-2026 May 22, 2026	The FDIC Board of Directors approved a notice of proposed rulemaking that would implement Bank Secrecy Act (BSA) and sanctions compliance standards applicable to FDIC-supervised permitted payment stablecoin issuers (PPSIs) as required by the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act). Specifically, the proposed rule would require FDIC-supervised PPSIs to comply with applicable regulations regarding anti-money laundering/countering the financing of terrorism (AML/CFT) and economic sanctions programs, and reporting requirements, including requirements established by the Department of Treasury's Financial Crimes Enforcement Network (FinCEN) and the Office of Foreign Assets Control. The proposed rule would also establish and align supervision and enforcement provisions for PPSI AML/CFT programs with FinCEN requirements.	FDIC
FDIC-Insured Institutions Reported Return on Assets of 1.26 Percent and Net Income of $80.5 Billion in First Quarter 2026	Press Release May 27, 2026	Reports from 4,278 commercial banks and savings institutions by the FDIC reported a return on assets (ROA) ratio of 1.26 percent and aggregate net income of $80.5 billion, an increase of $2.8 billion (3.6 percent) from the prior quarter. The banking industry continued to maintain strong capital and liquidity levels, which support lending and protect against potential losses. Other key findings of the FDIC's *Quarterly Banking Profile*.	FDIC
FDIC Publishes April Enforcement Actions	Press Release May 29, 2026	The FDIC published a list of orders of administrative enforcement actions taken against banks and individuals in April 2026. There are no administrative hearings scheduled for June 2026. The FDIC issued two orders, one notice of charges and one adjudicated decision and orders in April 2026. The administrative enforcement actions in those orders consisted of one consent order; one order terminating consent order; one notice of intent to prohibit and assessment of civil money penalty (CMP) and order to pay; and one decision and orders to prohibit and to pay a CMP.	FDIC

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
FDIC Issues List of Banks Examined for CRA Compliance	Press Release June 5, 2026	The FDIC issued its list of state nonmember banks recently evaluated for compliance with the Community Reinvestment Act (CRA). The list covers evaluation ratings that the FDIC assigned to institutions in January 2026. The CRA is a 1977 law that requires the FDIC to assess a bank's record of meeting the credit needs of its entire community, including those of low- and moderate-income neighborhoods, consistent with safe and sound operations. As part of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), Congress mandated the public disclosure of an evaluation and rating for each bank or thrift that undergoes a CRA examination on or after July 1, 1990.	FDIC
Money Mule Scam Targeting the Elderly	Alert June 15, 2026	The FDIC OIG is alerting banks and consumers of "Money Mule" scams targeting the elderly and FDIC-regulated and insured institutions. **How it Works** In this scheme, fraud perpetrators are printing false or fictitious United States Savings Bonds and recruiting elderly citizens from assisted living facilities and nursing homes to deposit and cash the bonds in their FDIC-insured accounts, in exchange for payments. Once the funds become available, they are withdrawn before the checks are identified as forgeries, causing a loss to the bank and the elderly account holders. Bad actors in these schemes have been captured on video at FDIC-insured banks and at credit unions. One counterfeit United States Savings Bond scheme has resulted in a loss of $1.8 million.	FDIC-OIG
Governor Abbott Appoints Four to Finance Commission of Texas	Press Release June 9, 2026	Governor Greg Abbott appointed William "Chip" Jenkins and Bradford "Luke" Ledbetter and reappointed Sharon McCormick and Lauren Nassri Warren to the Finance Commission of Texas for terms set to expire on February 1, 2032. The Commission is the governing body of the state's banking, savings and loan, and consumer credit agencies	FC

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Federal Reserve Board Releases Results from Two Surveys of Senior Financial Officers at Banks About Their Views on Discount Window Operating Days and Their Strategies and Practices for Managing Reserve Balances	Press Release May 14, 2026	The FRB released results from two surveys of senior financial officers at banks about their views on discount window operating days and their strategies and practices for managing reserve balances. The Senior Financial Officer Survey is used by the Board to obtain information about banks' reserve balance management strategies and practices, their expectations around the size of their balance sheets and deposit balances, their activity in money markets, and their views regarding the discount window.	FRB
Federal Reserve Board Issues Enforcement Action with Former Employee of Atlantic Union Bank and Former Employee of Frost Bank	Press Release May 28, 2026	The FRB issued an enforcement action with former First Financial Bank employee Jesse Romo. Romo was employed as a personal banker at the Bank's South Central Financial Center in San Antonio, Texas until his termination on February 28, 2025. Whereas, between May 3, 2024, and February 24, 2025, Romo embezzled approximately $17,500 from the Bank for his own personal benefit by opening accounts for himself and an associate with no deposits and overdrawing those accounts.	FRB
Governor Abbott Amends, Renews Drought Disaster Proclamation in May 2026	Proclamation May 17, 2026	Governor Greg Abbott amended and renewed the disaster proclamation issued on July 8, 2022, certifying that exceptional drought conditions posed a threat of imminent disaster in several counties; and the Texas Division of Emergency Management has confirmed that those same drought conditions persist in certain counties in Texas. The proclamation authorizes the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.	TXGOV

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Governor Abbott Amends, Renews Flooding Disaster Proclamation in May 2026	Proclamation May 17, 2026	Governor Greg Abbott amended and renewed the disaster proclamation issued on July 4, 2025, certifying that the heavy rainfall and flooding event that began on July 2, 2025, that included heavy rainfall and flash flooding, caused widespread and severe property damage, injury, or loss of life in several counties. Those counties include Bandera, Bexar, Burnet, Caldwell, Coke, Comal, Concho, Edwards, Gillespie, Guadalupe, Hamilton, Kendall, Kerr, Kimble, Kinney, Lampasas, Llano, Mason, Maverick, McCulloch, Menard, Real, Reeves, San Saba, Schleicher, Sutton, Tom Green, Travis, Uvalde, and Williamson counties. The proclamation authorizes the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.	TXGOV
Governor Abbott Renews Border Security Disaster Proclamation in May 2026	Proclamation May 17, 2026	Governor Greg Abbott amended and renewed the disaster proclamation issues on May 31, 2021, certifying that the surge of individuals unlawfully crossing the Texas/Mexico border posed an ongoing and imminent threat of disaster for a number of Texas counties and for all state agencies affected by this disaster. The proclamation authorizes the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.	TXGOV
Governor Abbott Deploys State Resources to Combat New World Screwworm	Press Release June 5, 2026	Governor Greg Abbott received a briefing and updated Texans on the State's response following the confirmation of a New World Screwworm (NWS) detection in Texas. The Governor also issued a disaster declaration for Zavala and Uvalde Counties. "I am issuing an updated statewide disaster declaration to make two things very clear," said Governor Abbott. "First, I authorize the use of all available resources of state government to respond to this disaster and reassign resources from across the state as needed to address NWS. Second, I am making all state personnel available to accelerate the movement of sterile flies into Texas and the construction of the new sterile screwworm production facility in Edinburg. We have eradicated this pest before, and we will do it again."	TXGOV

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Governor Abbott Issues New World Screwworm Disaster Proclamation in June 2026	Proclamation June 5, 2026	Governor Greg Abbott certifies that the spread of NWS northward from Mexico into Texas threatens Texas' wildlife and livestock industry and economy and poses an imminent threat or occurrence of widespread and severe property damage, and pursuant to Section 418.014, Texas Government Code, do hereby declare a state of disaster for all Texas counties. Pursuant to Section 418.017, Texas Government Code, I authorize the use of all available resources of state government and of all political subdivisions that are reasonably necessary to cope with this disaster, and temporarily reassign any such resources that could be allocated to address the spread of NWS to the Texas New World Screwworm Response Team, which shall prioritize such resources for Zavala and Uvalde Counties first.	TXGOV
Governor Abbott Directs PUC and ERCOT to Shield Texans from Data Center Infrastructure Costs	Press Release June 10, 2026	Governor Greg Abbott directed the Public Utility Commission of Texas (PUC) and the Electric Reliability Council of Texas (ERCOT) to take immediate steps to protect residential ratepayers from the costs of data center expansion. "Data centers must operate in ways that reduce costs for residential electricity customers, do not drain water needed for our communities, and take into consideration the needs of our neighborhoods," said Governor Abbott.	TXGOV
Governor Abbott Issues Severe Storm Disaster Proclamation in June 2026	Proclamation June 15, 2026	Governor Greg Abbott certify that the severe storms event that began on June 14, 2026, and that included heavy rainfall, flash flooding, hazardous wind gusts, large hail, and tornado threats, is causing widespread and severe property damage, injury, or loss of life in multiple counties. Pursuant to Section 418.017 of the Texas Government Code, Governor Abbott authorized the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with the disaster.	TXGOV

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
FinCEN Asks Financial Institutions to Detect and Report Illicit Activity Related to Illegal Aliens	Press Release June 5, 2026	The U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued an Advisory urging financial institutions to be vigilant against risks presented by the unlawful employment of illegal aliens. FinCEN has identified the following red flags to help financial institutions detect, prevent, and report suspicious activity connected to fraud schemes involving the unlawful employment of unlawful aliens. Many of these red flags build off of FinCEN's 2023 Payroll Tax Fraud Notice, which remain relevant for this joint Advisory. Additionally, while FinCEN is providing these red flag indicators to assist financial institutions in identifying potentially suspicious activity, these red flag indicators do not convey or alter any independent regulatory obligations or supervisory expectations.	Treasury, FinCEN
FinCEN Issues Guidance to Help Financial Institutions Eliminate Fraud Through Information Sharing	Press Release June 12, 2026	The U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued updated guidance to clarify how financial institutions can share information with each other about suspected fraud under section 314(b) of the USA PATRIOT Act. FinCEN's updated guidance clarifies that a financial institution may share information about activity involving suspected fraud, money laundering, terrorist financing, or other specified unlawful activities, and that it may share that information with any other financial institution eligible to participate in the section 314(b) program to identify illicit financial activity. The fact sheet includes examples of the type of information related to fraud and other criminal activity that financial institutions can share with each other under section 314(b), including video surveillance footage, cyber-related data, such as IP addresses; and fraud indicators like newly added payees followed by large transfers, multiple accounts with the same or similar identifying information, and login activity from geographically distant places.	Treasury, FinCEN

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
GENIUS Act: Reporting Forms and Instructions for Permitted Payment Stablecoin Issuers Subject to the Jurisdiction of the Office of the Comptroller of the Currency	Bulletin 2026-24 June 11, 2026	The OCC is proposing a new information collection that would include weekly and quarterly reporting forms that must be completed by permitted payment stablecoin issuers and foreign payment stablecoin issuers registered with the OCC under the Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act.	OCC

INDUSTRY PUBLICATIONS

SOURCE	PUBLICATION
FDIC	2025 Office of Ombudsman Annual Report (June 2026)
FDIC	National Rates and Rate Caps (June 2026)
FRB	FOMC Minutes(May 2026)
FRB-Dallas	Texas Employment Forecast (May 2026)

OTHER RESOURCES
Bloomberg Business and Financial News
Consumer Financial Protection Bureau (CFPB)
FFIEC BSA/AML InfoBase
FFIEC Information Technology Handbook InfoBase
Financial Accounting Standards Board (FASB)
Financial Action Task Force (FATF)
Financial Crimes Enforcement Network (FinCEN)
The Financial Forecast Center - Discount Rate Information
Office of Foreign Assets Control, U.S. Treasury (OFAC)
Real Estate Research Center, Texas A&M University (Market Reports)
Temporary Liquidity Guarantee Program
Texas Constitution and Statutes
Texas and National Economy – Federal Reserve Bank of Dallas
The Texas Economy – Texas Comptroller
Troubled Asset Relief Program (TARP)
Uniform Bank Performance Reports (UBPR) and Users Guide

ACRONYMS AND ABBREVIATIONS

ACRONYM / ABBREVIATION	MEANING
AML	Anti-Money Laundering
ASU	Accounting Standards Update
BIS	Bank for International Settlements
BSA	Bank Secrecy Act
CFPB	Consumer Financial Protection Bureau
CFR	Code of Federal Regulations
CRA	Community Reinvestment Act
CRE	Commercial Real Estate
CSBS	Conference of State Bank Supervisors
Dodd-Frank Act	The Dodd-Frank Wall Street Reform and Consumer Protection Act
DOJ	Department of Justice
FASB	Financial Accounting Standards Board
FC	Finance Commission of Texas
FCA	Farm Credit Administration
FDIC	Federal Deposit Insurance Corporation
FDIC-OIG	FDIC Office of Inspector General

ACRONYM / ABBREVIATION	MEANING
FFIEC	Federal Financial Institutions Examination Council
FHA	Federal Housing Authority
FHFA	Federal Housing Finance Agency
FinCEN	Financial Crimes Enforcement Network
FRB (or Fed or FR)	Federal Reserve Board or Federal Reserve
FTC	Federal Trade Commission
HUD	Housing and Urban Development Department
NCUA	National Credit Union Association
OCC	Office of the Comptroller of the Currency
OFAC	Office of Foreign Asset Control
OIG	Office of Inspector General
SDN	Specially Designated National
SEC	Securities and Exchange Commission
TDB	Texas Department of Banking
TXGOV	Office of the Texas Governor
TSSB	Texas State Securities Board
Treasury	U.S. Department of Treasury