An Update on Reforms to the Regulatory Toolkit

Remarks by FDIC Chairman Travis Hill

March 11, 2026

Introduction

It's great to join the ABA again for its Washington Summit. Since last January, we have been working hard to reform our supervisory and regulatory approach to bolster economic growth, foster innovation, and promote stability in the banking sector. Today, I'd like to provide you with updates on a few of our key areas of focus.

Supervision Reform

To start, reforming supervision continues to be a top priority at the FDIC. Unlike some of our other efforts to make regulations more fit for purpose, reforming supervision involves more than simply publishing new rules. Given the nature of the supervisory process, fundamentally remodeling how we approach supervision requires a variety of measures.

Over the past few months, we (1) issued a joint proposal with the OCC defining "unsafe or unsound practices" and "matters requiring attention;"[1] (2) issued instructions to examiners to refocus examinations on material financial risks and violations of laws and regulations, which will be updated once the rulemaking with the OCC is finalized; (3) initiated a "lookback" of all outstanding supervisory recommendations for consistency with the new supervisory approach; and (4) made significant progress on interagency reforms to the CAMELS rating system, which we hope to propose in the coming weeks. We also have ongoing workstreams dedicated to overhauling the training we provide our examiners and updating our examination manuals to reflect the recent and forthcoming changes. The result of these initiatives is not lenient supervision; it is supervision focused on the things that truly matter.

While most of our attention related to supervision reform thus far has been on safety and soundness examinations, the FDIC also supervises banks for compliance with consumer laws and regulations. We did make certain modifications to our approach in 2025 – specifically, reducing the frequency of consumer compliance examinations for small banks,[2] eliminating the

[1] Office of the Comptroller of the Currency, Federal Deposit Insurance Corporation, Unsafe or Unsound Practices; Matters Requiring Attention, 90 Fed. Reg. 48,385 (Oct. 30, 2025).

[2] Federal Deposit Insurance Corporation, FDIC Updates its Consumer Compliance Examination Schedule, FIL-52-2025 (Nov. 7, 2025). This change applied to consumer compliance and Community Reinvestment Act (CRA) examinations.

use of disparate impact in fair lending analysis,[3] and generally limiting supervisory criticisms during consumer compliance examinations to actual violations of banking-related laws and regulations.[4]

In the coming weeks and months, we plan to look closely at a range of improvements to our consumer compliance supervision program. Today, that process continues to be highly-process driven, with significant focus on a bank's compliance management system (CMS) and considerable emphasis on policies, procedures, and training, rather than on actual outcomes. Our goal is to reorient our focus more towards noncompliance with laws and regulations, and actual harm to consumers, as opposed to policies and procedures, training, and other process-related considerations.

We also plan to address the breadth of FDIC compliance exams. Today, pre-examination scoping often involves asking institutions a voluminous list of broad, detailed questions. For larger institutions, this includes questions related to consumer laws for which we do not supervise, including statutes like the Equal Credit Opportunity Act and Truth in Savings Act. For smaller banks, we will look at doing more to risk-focus our exams, which will include focusing more on products that are material to an institution's business. Furthermore, we plan to explore guardrails around the use of "visitations" outside of the specified examination cycle, so that they are only used in rare circumstances.

Additionally, we clearly need to increase the dollar thresholds that dictate the severity of violations, which trigger meaningful consequences. Today, the highest, most severe violations are those that result in aggregate "harm" to consumers of more than $10,000. We also will ensure the FDIC does not retroactively require restitution for actions taken *before* a policy is adopted or changed, as occurred when the FDIC issued its Financial Institution Letter on nonsufficient funds fees in 2022.[5]

Overall, we continue to believe in the importance of banks treating their consumers fairly and acting in compliance with the law, but we will explore these reforms and others to make consumer compliance examinations less process-driven and more effective.

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[3] *See* Federal Deposit Insurance Corporation, Update to the FDIC's Consumer Compliance Examination Manual, FIL-41-2025 (Aug. 29, 2025).

[4] *See supra* note 1.

[5] *See* Federal Deposit Insurance Corporation, Supervisory Guidance on Multiple Re-Presentment NSF Fees, FIL-40-2022 (Aug. 18, 2022).

Regulatory Capital

Next I'll turn to regulatory capital, where we continue to work to better align our capital standards with risks. Last fall, the banking agencies finalized changes to the enhanced supplementary leverage ratio (eSLR)[6] and proposed modifications to the community bank leverage ratio (CBLR),[7] which we intend to finalize in the near future.

Soon, we will turn to the risk-based capital standards, which will be the subject of two proposals the banking agencies plan to issue later this month. One proposal would generally implement the 2017 Basel agreement,[8] while deviating in certain areas in which the international agreement does not work for the U.S. economy. This proposal represents a substantial improvement over the failed effort in 2023[9] – among other things, it would adopt a simpler "single stack," rather than an overly complicated dual stack approach; remove the "gold plating" from mortgage lending and retail lending risk weights, among other areas; and remove a number of overly punitive aspects of the operational and market risk frameworks.

Although that proposal would be mandatory for only the largest banks (though any bank can opt in), the banking agencies also plan to issue a second proposal that would improve risk sensitivity for all banks (other than CBLR banks), particularly in critical lending categories such as residential mortgage lending, consumer lending, and corporate lending. The intended result is more lending and a more level regulatory playing field between the largest and smaller institutions. Additionally, proposed enhancements to the securitization framework and recognition of collateral are consistent across both proposals, which further support a level regulatory playing field.

Strong capital rules continue to play a vital role in promoting a strong and resilient banking system and robust economic growth. The FDIC and other banking agencies expect these forthcoming adjustments to the risk-based capital rules to appropriately balance driving

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[6] Office of the Comptroller of the Currency, Federal Reserve System, Federal Deposit Insurance Corporation, Modifications to the Enhanced Supplementary Leverage Ratio Standards for U.S. Global Systemically Important Bank Holding Companies and Their Subsidiary Depository Institutions; Total Loss-Absorbing Capacity and Long-Term Debt Requirements for U.S. Global Systemically Important Bank Holding Companies, 90 Fed. Reg. 55,248 (Dec. 1, 2025).

[7] Office of the Comptroller of the Currency, Federal Reserve System, Federal Deposit Insurance Corporation, Revisions to the Community Bank Leverage Ratio, 90 Fed. Reg. 55,048 (Dec. 1, 2025).

[8] *See* Basel Committee on Banking Supervision ("BCBS"), Basel III: Finalising post-crisis reforms (Dec. 2017); BCBS, Minimum requirements for market risk (Jan. 2019) (rev. Feb. 2019); BCBS, Targeted revisions to the credit valuation adjustment framework (July 2020).

[9] Office of the Comptroller of the Currency, Federal Reserve System, Federal Deposit Insurance Corporation, Regulatory Capital Rule: Large Banking Organizations and Banking Organizations With Significant Trading Activity, 88 Fed. Reg. 64028 (Sept. 18, 2023).

economic growth with ensuring safety, soundness, and resilience to shocks, and I look forward to receiving feedback once these proposals are published.

Liquidity

We have also been working with the other banking agencies on potential modifications to liquidity requirements. The Liquidity Coverage Ratio (LCR) requires certain large banks[10] to hold sufficient unencumbered high-quality liquid assets (HQLA) to meet projected net cash outflows over a prospective 30-day stress period.

The LCR, which was issued by the banking agencies over a decade ago, is intended to improve a bank's resilience to a short-term liquidity stress event. Yet, the March 2023 banking failures illuminated two important policy gaps in the framework. First, a significant deposit run can occur over an extremely short time horizon, far shorter than thirty days.[11] Second, there are significant limits to a bank's ability to monetize liquid assets in the private market over a short timeline to cover large outflows.

To address these gaps, the FDIC has been working with our fellow regulators to explore improvements to the LCR to improve banks' resilience to acute, short-term stress events. One logical solution, which I have discussed in the past,[12] would be to allow banks to recognize, up to a cap, their capacity to borrow from the Federal Reserve when calculating the LCR. This is a change the banking agencies could incorporate relatively quickly, yet thoughtfully, while still contemplating longer-term fixes to other aspects of the framework. Incorporating borrowing capacity at the Federal Reserve into the LCR would have a range of benefits, including incentivizing operational readiness to borrow; reversing the trend of large banks shifting their balance sheets towards large quantities of ultra-safe securities, rather than loans in the real economy; and, perhaps, reducing discount window stigma. At the same time, this change would reflect the reality that if a large bank faces a true stress event, the central bank is likely to be the only viable option for meeting redemptions, as only the central bank can produce liquidity at large scale in any economic environment.

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[10] The LCR generally applies to banking organizations with $250 billion or more in total consolidated assets and certain banking organizations with $100 billion or more in total consolidated assets that meet certain other criteria, as well as depository institution subsidiaries of those banking organizations with $10 billion or more in total consolidated assets.

[11] Even historical bank runs at institutions like Continental Illinois, Washington Mutual, and IndyMac occurred over less than two weeks.

[12] *See* Travis Hill, Reflections on Bank Regulatory and Resolution Issues (July 24, 2024) ("I think it makes more sense to consider incorporating discount window capacity into the LCR").

More generally, at the FDIC, we have been working over the past year to enhance our understanding of deposit behavior.[13] We conducted an in-depth study looking at transaction-level data at the three failed banks in 2023, and plan to publicly release some of our findings in the coming weeks. Of course, surviving an SVB-style run is not a realistic goal for any liquidity regime, and we should be humble in recognizing that banking panics can always defy expectations about how different actors will behave, but there is still value in studying how depositors have behaved in various circumstances.

Bank Secrecy Act (BSA) / Anti-Money Laundering (AML)

Another key priority is revamping our approach to anti-money laundering. In 2021, Congress passed the Anti-Money Laundering Act of 2020,[14] the most significant update to our BSA framework in decades.[15] The goals were clear: make our system more effective, more risk-focused, and less burdened by box-checking that produces mountains of data but not necessarily meaningful intelligence for law enforcement.

At its core, the Act sought to better align regulation with risk.[16] It emphasized national AML/CFT priorities,[17] directed regulators to streamline suspicious activity reporting, encouraged greater information sharing,[18] and, importantly, recognized that innovation and technology must play a central role in modernizing compliance.[19]

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[13] *See* Statement from Acting Chairman Travis Hill (Jan. 21, 2025) (listing among the FDIC's areas of focus "[s]tudy deposit behavior to develop a more sophisticated understanding of the relative stability of different types of deposits and depositors.").

[14] *See generally* William M. (Mac) Thornberry National Defense Authorization Act, Pub. L. No. 116-283, 134 Stat. 3388 (Jan. 1, 2021).

[15] *See, e.g.*, Liana W. Rosen and Rena S. Miller, The Financial Crimes Enforcement Network (FinCEN): Anti-Money Laundering Act of 2020 Implementation and Beyond, *Congressional Research Service* (Sept. 27, 2022), at 1 (indicating that the Anti-Money Laundering Act of 2020 (AMLA) "encompassed the most sweeping reforms to U.S. anti-money laundering policy in recent decades.").

[16] *See, e.g.*, *id.* at 15 (discussing, for example, Section 6216, which requires the Secretary of the Treasury to review regulations to, in part, "identify regulations and guidance that 'do not promote a risk-based' AML/CFT regime").

[17] *See* Financial Crimes Enforcement Network, Anti-Money Laundering and Countering the Financing of Terrorism National Priorities, FinCEN (June 30, 2021), at 1 ("[I]ssuing the first government-wide priorities for anti-money laundering and countering the financing of terrorism . . .").

[18] *See supra* note 15, at 6-7 (indicating that the AMLA "codifies opportunities for public-private information sharing, including through 'FinCEN Exchange' (§6103), a new Subcommittee on Innovation and Technology under the Bank Secrecy Act Advisory Group (§6207), a Financial Crimes Tech Symposium (§6211), and other mechanisms (e.g., §6214 on "encouraging information sharing and public-private partnerships" and §6306 on "cooperation with law enforcement")).

[19] *See* Conference Report to Accompany H.R. 6395, H.Rept. 116-617, at 2137-38 (Dec. 3, 2020) (highlights the use of "decades-old technology" and "provides a clear mandate for innovation, while providing for regulatory processes for financial institutions to effectively innovate, test, and adopt leading technologies, such as artificial intelligence, to track, identify, and report suspicious financial activity").

The vision was smarter regulation.

But when the agencies released a proposal to update the "Program Rule" in 2024,[20] the proposal fell well short of the Act's goals.[21] If we are serious about stopping illicit finance, we must be serious about prioritization. Every compliance dollar spent on low-risk, low-value activity is a dollar not spent on detecting frauds and scams that are increasingly industrial in scale, sophisticated money laundering networks, fentanyl and child sex trafficking, or terrorism financing. The goal is to enable banks to devote more time, talent, and technology to the areas that present the highest risk. With the Treasury Department leading the efforts, we have been developing a proposal to achieve these objectives, which I look forward to acting on soon.

At the same time, we are also focused on the tremendous promise of innovation to improve the BSA regime. AI and other new technologies can identify suspicious activity with a speed and precision that legacy "rules-based" systems cannot match.[22] These tools can elevate real risk signals and reduce false positives, allowing investigators to focus on what truly matters.[23] I have heard of some reluctance to adopt these technologies because of fear that examiners will require parallel technology runs, play "gotcha" for past failures that new technologies reveal, or impose costly proofs of performance. At the FDIC, we want banks to innovate in this space, and we will ensure our supervisory approach encourages it. We want resources laser-focused on risks and outcomes, not rote, mindless processes.

Technology can also be harnessed to improve customer identification. We have provided some regulatory clarity in this area – like allowing for pre-population of customer information[24] and providing an exemption from the need to collect full social security numbers from customers,[25] but more can be done. As Sam Altman explained at a Federal Reserve conference

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[20] Office of the Comptroller of the Currency, Federal Reserve System, Federal Deposit Insurance Corporation, National Credit Union Administration, Anti-Money Laundering and Countering the Financing of Terrorism Program Requirements, 89 Fed. Reg. 65242 (Aug. 9, 2024).

[21] *See* Travis Hill, Proposal to Amend the Bank Secrecy Act Compliance Rule (June 20, 2024) ("I think we could have pushed further to ensure that the result of this effort is an actual shift in focus towards higher-risk activities and away from lower-risk activities, and to explore additional ways to better target our efforts.").

[22] *See, e.g.*, IR, AI Transaction Monitoring and how it works: Complete Guide 2025, (discussing how AI transaction monitoring works and how it improves speed and accuracy to facilitate better oversight).

[23] *See e.g.*, Fredrik Drake, et al, How AI is reshaping the future of transaction monitoring, *EY* (Nov. 12, 2025), ("Machine learning and other AI models, when thoughtfully deployed, offer opportunities to enhance detection, reduce false positives, and align more effectively with both regulatory and operational demands.").

[24] *See* Federal Deposit Insurance Corporation, FDIC Supervisory Approach Regarding the Use of Pre-Populated Information for Purposes of Customer Identification Program Requirements, FIL-39-2025 (Aug. 5, 2025).

[25] *See* Federal Deposit Insurance Corporation, Customer Identification Program Rule Exemption from Collecting Taxpayer Identification Number Information from Customer, FIL-26-2025 (June 27, 2025). Under the order, institutions are permitted to collect only the last four digits of a customer's taxpayer identification number (TIN) and

last year, "AI has fully defeated most of the ways that people authenticate currently, other than passwords."[26] I encourage banks to continue to actively explore and adopt new technologies in this area, consistent with the risk-based, outcome-focused approach we are embracing.

Stablecoins

The FDIC has also been hard at work on rulemakings to implement the GENIUS Act, which includes a proposal to establish prudential requirements for payment stablecoin issuers supervised by the FDIC.[27] One issue we plan to address in this proposal, which has broader implications beyond just FDIC-supervised stablecoin issuers, is the applicability of FDIC pass-through insurance to payment stablecoins.

Pass-through insurance, which has existed throughout the FDIC's history, allows deposits placed at a bank by a third party on behalf of a depositor to be insured as if deposited directly by the end-customer.[28] Today, a broad range of third parties offer pass-through insurance to customers, including broker-dealers, fintechs, prepaid card networks, and deposit placement networks, among others. If a payment stablecoin arrangement qualified for pass-through insurance, this would mean that if a bank holding the issuer's reserves in a deposit account failed, the FDIC would insure the deposit account based on the interests of the stablecoin holders,[29] rather than insuring the account as a corporate deposit account eligible for only $250,000 of insurance.

The GENIUS Act makes clear that payment stablecoins are not "subject to deposit insurance" or guaranteed by the U.S. government.[30] The GENIUS Act further prohibits payment stablecoin issuers or other parties from *representing* "that payment stablecoins are backed by the

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then use a trusted third-party to verify the full nine-digit TIN. A TIN is an individual's Social Security Number (SSN), individual taxpayer identification number (ITIN), or employer identification number (EIN).

[26] Board of Governors of the Federal Reserve System, Transcript of Integrated Review of the Capital Framework for Large Banks Conference: Fireside Chat—Vice Chair for Supervision Michelle W. Bowman and Sam Altman, Open AI CEO (July 22, 2025) at 9.

[27] All references to "stablecoin" refer to "payment stablecoin" as defined by the GENIUS Act. *See* 12 U.S.C. § 5901(22).

[28] *See generally* Federal Deposit Insurance Corporation, Financial Institution Employee's Guide to Deposit Insurance: Pass-through Deposit Insurance Coverage.

[29] In other words, the issuer's account(s) would generally be insured at $250,000 per stablecoin holder at the time of failure.

[30] 12 U.S.C. § 5903(e)(1) ("Payment stablecoins shall not be backed by the full faith and credit of the United States, guaranteed by the United States Government, subject to deposit insurance by the Federal Deposit Insurance Corporation, or subject to share insurance by the National Credit Union Administration.").

full faith and credit of the United States, guaranteed by the United States Government, or subject to Federal deposit insurance or Federal share insurance."[31]

The GENIUS Act is silent on whether FDIC pass-through insurance could apply to payment stablecoins. When the FDIC insures deposits on a pass-through basis, it treats the end-customers as the depositors. Treating stablecoin holders as the insured depositors, even on a pass-through basis, seems inconsistent with the GENIUS Act's prohibition on payment stablecoins being "subject to Federal deposit insurance." Additionally, it is very common today for third parties that offer pass-through insurance to market the availability of FDIC insurance for their products. This makes sense, as the availability of pass-through insurance is premised on the notion that the third party is effectively offering an access mechanism to an FDIC-insured deposit account. It seems hard to rationalize the GENIUS Act's firm prohibition on marketing stablecoins as subject to deposit insurance if stablecoins were intended to serve as an access mechanism for FDIC-insured deposit accounts.[32]

As a result, the FDIC is planning to propose that payment stablecoins subject to the GENIUS Act are not eligible for pass-through insurance. The FDIC is particularly interested in comments on this aspect of the proposal, and we are open to hearing different perspectives on this issue. In my view, we should answer this question definitively by regulation, rather than waiting until a bank that holds stablecoin reserves fails, when different parties may have different expectations on the availability of FDIC insurance.

It is difficult to estimate the extent to which stablecoin arrangements would qualify for pass-through insurance if they were eligible. For example, current pass-through insurance rules require that the identities and interests of end-customers must be ascertainable in the regular course,[33] which is not a common feature of large stablecoin arrangements today.

If stablecoin arrangements were (1) eligible and (2) able to qualify for pass-through insurance, this could, at least on the margins, (1) make payment stablecoins more attractive, (2) make holding reserves in FDIC-insured bank accounts more attractive, (3) reduce the risk a stablecoin issuer fails in the event a bank that holds its reserves fails, and (4) increase the exposure of the Deposit Insurance Fund (DIF) to the stablecoin market, among other impacts. It is worth noting, however, that this likely would *not* have a material impact on the aggregate

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[31] 12 U.S.C. § 5903(e)(2). Section 4(a)(9) further prohibits an issuer marketing a payment stablecoin in a manner that could imply that stablecoins are "guaranteed or approved by the Government of the United States." 12 U.S.C. § 5903(a)(9).

[32] Furthermore, unlike existing pass-through arrangements, where funds generally leave the deposit account when an end-customer withdraws or transfers funds, with a payment stablecoin, the *stablecoins* will primarily transfer from party to party without funds ever leaving the deposit account.

[33] 12 C.F.R. § 330.5(b)(2).

deposits in the banking system, because a customer moving funds from a bank account into a stablecoin generally does not remove the funds from the aggregate banking system, but this would have impacts on the *nature* and *distribution* of deposits across the system.[34] Nonetheless, material changes to the nature and distribution of deposits across the banking system would still be something the FDIC would pay very close attention to.

As part of the same proposal, the FDIC also plans to provide clarification and seek comment on the applicability of deposit insurance rules to tokenized deposits, which are not subject to the GENIUS Act.[35] It seems clear that a financial product that satisfies the statutory definition of a "deposit" under the Federal Deposit Insurance Act (FDI Act) remains a deposit regardless of the technology or recordkeeping utilized, and thus tokenized deposits should be eligible for the same regulatory and deposit insurance treatment as non-tokenized deposits. The FDIC also plans to seek comment on whether any additional clarifications of existing pass-through rules are needed to address tokenized deposit arrangements involving third parties.

Shelf Charters

We also continue to work on a range of initiatives to improve our readiness to resolve failed banks. This includes improvements to both our internal capabilities and our regulations. With respect to the latter, we expect to propose significant changes to our IDI resolution planning rule[36] later this spring. Today, I will briefly mention separate work underway to address one specific resolution-related gap.

Consider the following hypothetical, loosely inspired by real-world events that occurred almost exactly three years ago.[37] Suppose a large bank fails with virtually no notice or runway. Initially, there is little appetite among banks to bid on the failed institution, and the few bids that

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[34] If we follow the flow of funds, if a customer purchases a stablecoin from a stablecoin issuer, the funds flow from the customer's bank account to the issuer's bank account. If the issuer uses funds to buy Treasury securities as reserve assets, the customer's funds then travel to the bank account of the seller of the Treasury securities. If the issuer bought primary issuances of Treasuries, the funds would return to the banking system as they were spent by the Treasury, and in any event, funds that were placed in the Treasury's account at the Federal Reserve would replace other funds that would remain in bank deposits. If the stablecoin issuer engages in a repurchase agreement with a nonbank, the end-borrower's bank account is credited. And so on. To a first approximation, then, stablecoins carry implications for the *nature* and distribution of deposits across the banking system rather than the *quantity* of deposits. There are exceptions to this principle in which the bank chain can be broken, the most obvious being if an entity along the chain has access to the Federal Reserve's balance sheet, which results in funds moving from banks' balance sheets to the Federal Reserve's balance sheet.

[35] *See* 12 U.S.C. § 5901(22)(B)(ii).

[36] *See* 12 C.F.R. § 360.10.

[37] *See* Federal Deposit Insurance Corporation, Bank Failures: Failed Bank Information for Silicon Valley Bank, Santa Clara, CA. I note that this hypothetical differs in certain respects from what happened when Silicon Valley Bank failed.

arrive come in at a steep cost to the DIF. Meanwhile, there are one or more nonbank entities with an interest in buying the entire failed bank from the FDIC. Perhaps these nonbank entities have exposure to the failed bank (and thus an incentive to bid), perhaps they have experience purchasing distressed financial assets and/or institutions, or perhaps they simply spot a good deal and have capital to deploy. Today, there is no path for nonbank entities to buy such a bank outright in a short period of time, and furthermore the FDIC imposes a number of restrictions on such firms that discourage engagement.

We are working on two policy changes to try to address this issue. First, we soon plan to rescind the FDIC's 2009 Statement of Policy that established a number of restrictions and conditions for private investors to participate in purchases of failed banks. These restrictions and conditions included capital standards in excess of regulatory requirements, limits on transactions with affiliates in excess of those imposed by the Federal Reserve Act,[38] and lengthy continuity of ownership requirements, among others. Because the ordinary regulatory requirements will remain in place, removing these restrictions and conditions will not increase risk for the acquired bank or acquiring entity. Rather, rescinding the guidance will remove a barrier to nonbanks engaging in the bidding process for failed institutions, even outside of a rapid failure scenario, which can ultimately reduce the cost of failures to the DIF and increase the likelihood of a stabilizing resolution outcome.

Second, we are exploring with the other banking agencies the possibility of establishing an emergency exception that would enable a nonbank to rapidly set up a shelf charter to bid on a failed institution following a sudden failure. Today, the shelf charter process – which includes approvals for (1) a shelf charter from a chartering authority, (2) deposit insurance from the FDIC, and, in some cases, (3) a bank holding company from the Federal Reserve – takes months or years.[39] From a deposit insurance perspective, we have been working on a proposal that would enable us to act quickly on an application immediately upon receipt in the event of a rapid failure, while still fulfilling our statutory responsibility to consider the required factors under the FDI Act. We look forward to continuing to engage with our interagency peers to explore the possibility of an interagency policy that would cover establishing a charter, obtaining deposit insurance, and, if necessary, establishing a holding company in such a circumstance.

[38] *See* 12 U.S.C. § 371c, 12 U.S.C. § 371c-1.

[39] For the most recent shelf charter applicant, it took approximately 22 months from the time the chartering authority first received the initial application until the FDIC approved the institution to bid on failed banks.

Conclusion

Thank you again for the time today. As we advance our priorities in these areas and others, we will continue to promote a pro-growth agenda that supports a dynamic banking system, while still upholding our core safety and soundness mission.