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**MEDIA RELEASE**

**Conference of State Bank Supervisors**

1155 Connecticut Avenue, NW, Fifth Floor, Washington, DC, 20036

**CSBS Chairman Addresses State and Federal Colleagues**

BOSTON—CSBS Chairman Joseph A. Smith, Jr. today addressed state and federal colleagues at the Conference of State Bank Supervisors (CSBS) State-Federal Supervisory Forum in Boston, Massachusetts. Smith is the North Carolina Commissioner of Banks and served as CSBS Chairman from May 2009 to May 2010.

In his address, Smith highlighted the challenges and successes of the past year. As he described, “this past year has certainly been the kind of year Charles Dickens was referring to in A Tale of Two Cities: ‘it was the best of times, it was the worst of times.’” Smith continued, “over the past year we have faced a combination of continuing severe economic challenges and some very significant victories for CSBS, the system of state bank supervision, and the public interest.”

Some of the specific challenges mentioned by Smith included the continuing economic downturn, which has caused millions of foreclosures, and the implicit guarantees of the nation’s biggest institutions, which solidified the “too big to fail” patina for the biggest banks and allowed for an increase in bank failures among community banks.

Smith did recognize some of the many victories CSBS achieved in the past year as the regulatory reform debate has raged on Capitol Hill. “We have seen a recognition of our roles as regulators and of the need to coordinate with state regulators,” Smith stated. Further, “we successfully fought back efforts at excessive regulatory consolidation that would have damaged the dual-banking system.”

The ongoing operation and implementation of the Nationwide Mortgage Licensing System (NMLS) was also touted as a clear victory for CSBS and state regulators. “States have banded together to create and now to implement a nationwide system of mortgage licensing that will form the foundation of regulation of the retail mortgage market,” Smith said. Yet Smith also encouraged his peers to explore opportunities to use the NMLS model to enhance supervision of other non-depository financial services providers. “Through NMLS, we have revolutionized mortgage supervision. We must now explore the opportunity to revamp supervision of other financial markets,” Smith urged.

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In his speech, Smith attributed the successes of CSBS to the principle portrayed in the motto, “E Pluribus Unum.” Loosely translated as “out of many, one,” the motto illustrates how state regulators work together in solidarity to best serve the interests of citizens in their home state.

Smith concluded by girding his colleagues against future challenges. “These obstacles,” said, “can be overcome by banding together with our state peers and our federal counterparts. By following the motto ‘E Pluribus Unum,’ we can harness our resources and expertise to surmount any threats to our financial system and economy as a whole.”

The full text of Smith’s speech is available [here](#).

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*The Conference of State Bank Supervisors (CSBS) is the nationwide organization for state bank regulation, representing the bank regulators of the 50 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. State authorities supervise approximately 6,000 state-chartered financial institutions. Further, the majority of state banking departments also oversee mortgage providers and other financial service providers. CSBS is also responsible for improving the quality of state bank supervision by providing performance evaluation and accreditation programs for the banking departments, as well as supervisory education and training programs for state personnel.*