

Meeting of Members of Congress and Staff; Staff of the Federal Reserve Board (Board), Federal Deposit Insurance Corporation (FDIC), Office of the Comptroller of the Currency (OCC), Securities and Exchange Commission (SEC); and Representatives from the Conference of State Bank Supervisors (CSBS), the Financial Accounting Standards Board (FASB), the Financial Accounting Foundation, the North Carolina Bankers Association, the American Bankers Association, and Various Regional and Community Banks

September 4, 2018

Participants: The Honorable Blaine Luetkemeyer, The Honorable Bill Huizenga, and The Honorable Ted Budd (United States House of Representatives); Chris Brown, Tyler Haymore, Marliss McManus, Kevin Dowling, and Erik Rust (Congressional Staff)

Joanne Wakim, Connie Horsley, Benjamin McDonough, Jenn Gallagher, and Andrew Cavazos (Federal Reserve Board)

Robert Storch, Bob Bean, John Rieger, and Steve Primrose (FDIC)

Sydney Menefee, Amrit Sekhon, Jeffrey Geer, and Arnie Cohen (OCC)

Wesley Bricker, Holli Heiles Pandol, and Jeff Minton (SEC)

Daniel Schwartz, Catherine Pickels, Nathan Ross, Sandy Sussman, and Dana Barbieri (CSBS)

Hal Schroeder and Shayne Kuhaneck (FASB)

Matthew Broder and Todd Cranford (Financial Accounting Foundation); Dan Crowley (K&L Gates for Financial Accounting Foundation)

Peter Gwaltney (North Carolina Bankers Association)

Michael Gulette and James Ballentine (American Bankers Association)

David Turner, Anil Chadha, and Brian Smith (Regions Bank); Cindy Powell, Bob Johnson, and John Hardage (BB&T); Victor Alexander and Jill Hershey (KeyBank); Mike Fadil and Ken Robinson (Citizens Bank); David Sauls (Southern Bank and Trust Company); David Beaver (Uwharrie Bank); and Lauren Tennes (M&T Bank)

Summary: Members of Congress hosted a roundtable discussion with the above participants on the topic of an accounting standard adopted in 2016 by FASB. This standard revised the accounting for credit losses under U.S. generally accepted accounting principles and introduced the current expected credit losses methodology, commonly referred to as CECL. Topics discussed at the roundtable included the accounting standard itself, implementation challenges and potential alternatives from banking organizations' perspective, and the interaction between the accounting standard and regulatory capital requirements. Among other things, the Board, the

FDIC, and OCC noted that their proposed rulemaking regarding CECL transitions would provide an optional transition period for the potential effects of implementing the accounting standard.