

Press Releases

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OTS 96-17 - Fiechter Testimony Before the House Banking Committee On Assessing Risk in Thrift Institutions

Office of Thrift Supervision

News Release

FOR IMMEDIATE RELEASE

For further information

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NEWS ADVISORY

Acting Director Jonathan Fiechter of the Office of Thrift Supervision (OTS) testified before the House Banking Committee today on assessing risk in thrift institutions. He said OTS is committed to both continual improvement of its process for assessing risk and to ensuring that its approaches to supervision and examination are consistent and compatible with those of the other banking agencies.

"Risk assessment is the essence of bank and thrift supervision," and is a "dynamic process" that calls for continuous innovation.

He noted there are broad similarities, but also differences among institutions, "rendering a one size fits all approach to supervision is inappropriate." He described in detail the sophisticated OTS interest rate risk monitoring system that enables the agency to quantify and compare the interest rate risk faced by individual thrift institutions under its supervision.

(A summary of the testimony is attached).

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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.