



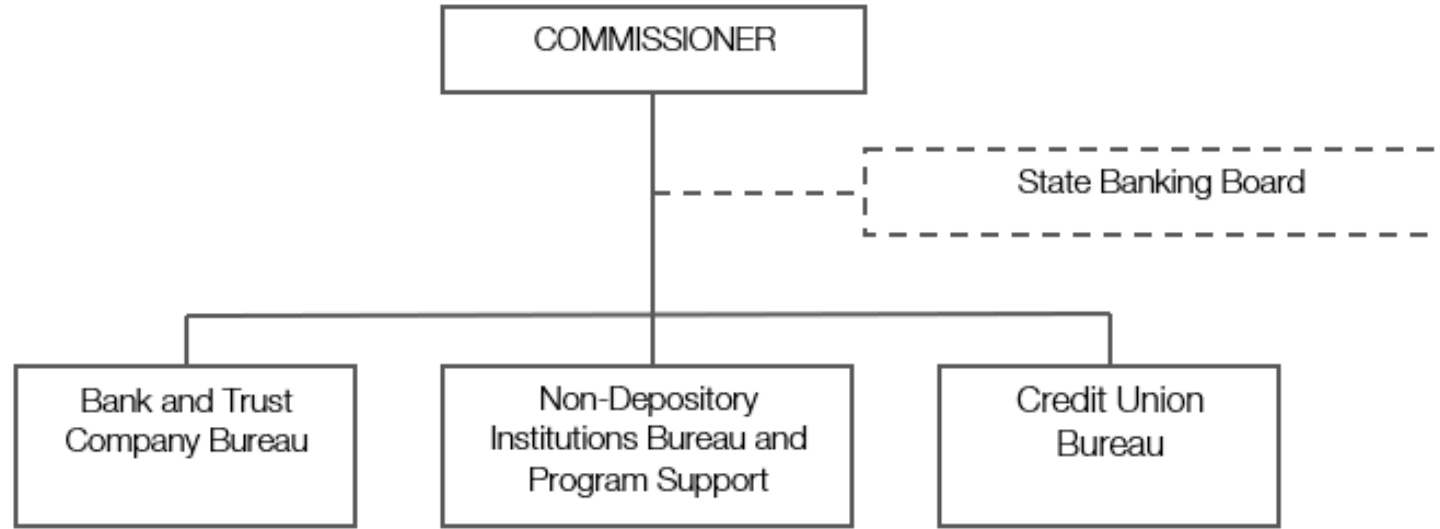
DIVISION OF BANKING & FINANCIAL INSTITUTIONS

MELANIE G. HALL
COMMISSIONER

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DIVISION STRUCTURE



Total number of FY 2021 FTEs 34

FY 2019-2020 FTEs 34



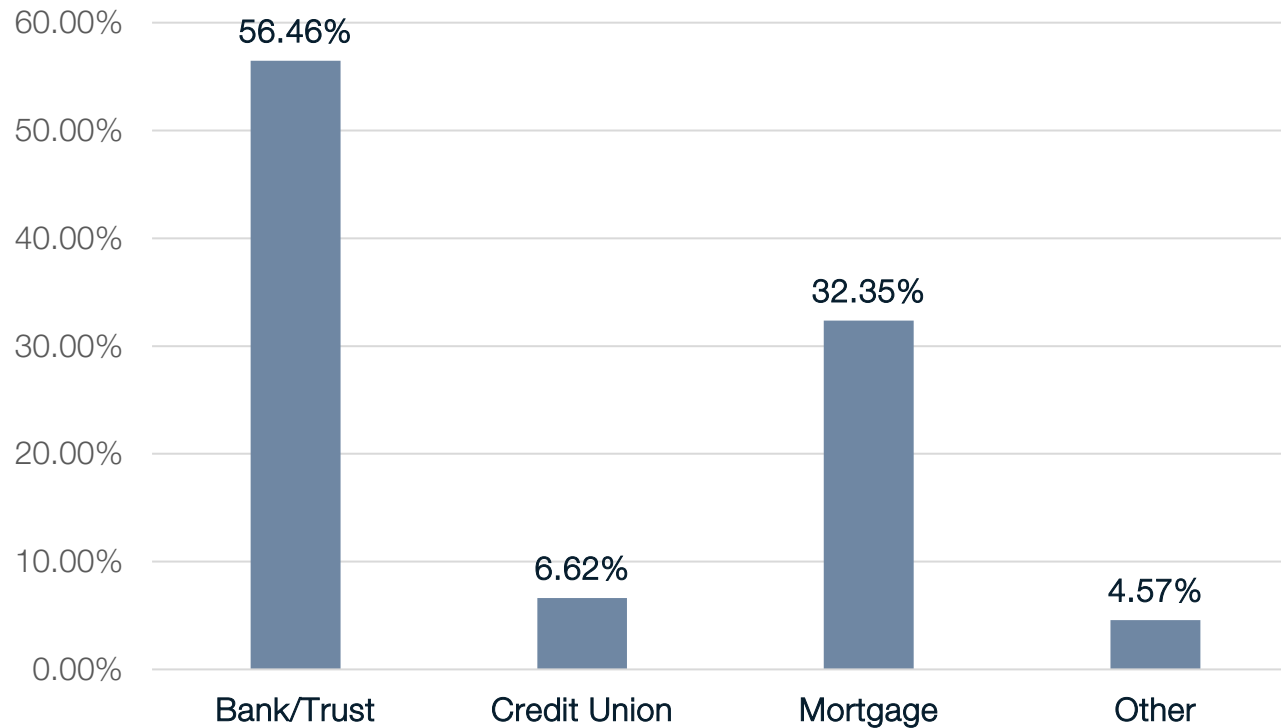
BACKGROUND

- Charter, supervise, and examine 38 state-chartered banks and 10 credit unions with combined assets of over \$50 billion.
- License and examine 5,029 residential mortgage brokers, lenders, servicers, and loan originators.
- License and examine 499 consumer loan companies, escrow companies, and sales finance companies.
- Provide a complaint process for consumers of Montana's financial services.



FUNDING

100% of Division funding is received from fees and assessments deposited into a special revenue fund.

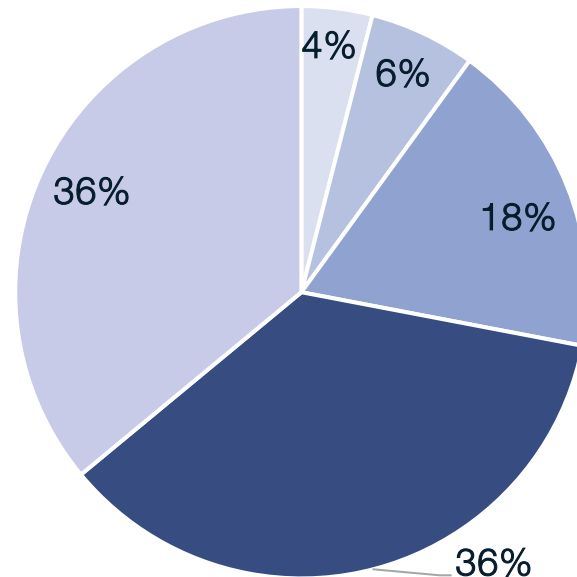


FUNDING

Although the number of banks supervised by the Division has shrunk significantly due to mergers and acquisitions (64 in 2011 to 38 today), total bank assets have grown by \$27 billion to \$47 billion.

The Division remains concerned about the impact of continued consolidation in the industry.

Five Largest Banks Represent 55% of Bank Program Revenue



BUDGET BACKGROUND



The Division of Banking & Financial Institutions is conservatively run.

- Turnover has improved significantly due to the implementation of a revised career ladder and reduced travel due to growing use of technology and data analytics.
- The Division has been fully staffed during this biennium. One position has recently become vacant. The Division intends to fill this position in Spring 2021 once in-person training is again feasible.
- Spending has been reduced due to decreased travel during the COVID-19 pandemic. Any economic challenges will require increased spending by the Division as exam frequency increases.
- Due to conservative cash management, the Division was able to waive both bank and credit union assessments in calendar year 2020 and cut mortgage renewal fees by **75%**.



KEY ACCOMPLISHMENTS



- Converted one national bank to a state-chartered bank;
- Analyzed and approved 11 mergers/consolidations/sales of banks and credit unions;
- Continues to decrease the time for processing non-depository license applications and renewals
 - first in the country in turnaround time for branch and MLO license renewals
 - second for company renewals;
- Received re-accreditation from the Conference of State Bank Supervisors in 2020 for the bank and mortgage programs;
- Continued implementation of reduced examiner travel through technology;
- Worked with the banking industry to reduce regulatory burden by modernizing processes, forms and applications; and,
- Actively supported COVID relief efforts:
 - Provided staff support to the small business and housing assistance programs;
 - Assisted in development of the Loan Deferment Program and Working Capital Programs; and,
 - Weekly phone calls with industry to encourage and support their work with customers (incl. forbearance, stimulus, PPP loans, offsite exams, CARES Act provisions).



UPCOMING PRIORITIES

Continue to provide effective and efficient service to Montanans and Montana's financial services industry by:

GOAL 1

Acting as an advocate for Montana's community banks, credit unions, and other providers of local financial services.

GOAL 2

Continuing to provide efficient and cost-effective regulation.

GOAL 3

Working with supervised industries to identify areas to reduce regulatory burden.

GOAL 4

Prioritizing IT regulation and cybersecurity of depository and non-depository financial institutions.



SUMMARY

The Division works to protect consumers while ensuring that the Montana economy is supported by diverse providers of financial services.

The Division is always **happy to help your constituents** with financial concerns or complaints.





THANK YOU