

# READOUT: Financial Stability Oversight Council Meeting on February 23, 2024

February 23, 2024

WASHINGTON – Today, U.S. Secretary of the Treasury Janet L. Yellen convened a meeting of the Financial Stability Oversight Council (Council) in executive session at the U.S. Department of the Treasury (Treasury).

During the meeting, the Council heard an update by Chair Gensler of the Securities and Exchange Commission (SEC) on the SEC's regulatory initiatives, including on the securities settlement cycle, central clearing and dealer registration, short-term funding markets, and private fund reporting.

The Council also heard an update by Office of the Comptroller of the Currency (OCC) staff on banking and commercial real estate (CRE) market developments. Recent market volatility has reinforced the importance of strong supervision of CRE exposures at banks and other financial institutions. The Council will continue to closely monitor developments in CRE markets.

In addition, the Council received a presentation by Consumer Financial Protection Bureau (CFPB) staff on the CFPB's proposed rule for defining larger participants of a market for general-use digital consumer payment applications. Council members discussed the evolving payments landscape and new entrants in the sector.

The Council also heard a presentation by Treasury staff on the Council's progress on its 2023 priorities and proposals for the Council's 2024 priorities. The Council supported continued work on its existing priorities, which include nonbank financial intermediation, climate-related financial risk, Treasury market resilience, and risks related to digital assets. Council members also discussed the need for continued application of its analytic framework to identify, assess, and address financial stability risk, as well as monitoring and engagement on cyber resilience, financial market utilities, and artificial intelligence.

Additionally, the Council received an update by Office of Financial Research (OFR) staff on the OFR's work to collect data on non-centrally cleared bilateral repurchase agreement transactions. Council members emphasized the importance of this work, which is intended to

bring greater official-sector transparency to the largest and most opaque segment of the secured financing market.

The Council also voted to approve the minutes of its previous meeting on December 14, 2023.

In attendance at the Council meeting at Treasury or virtually were the following members:

- Janet L. Yellen, Secretary of the Treasury (Chairperson of the Council)
- Jerome H. Powell, Chair, Board of Governors of the Federal Reserve System
- Michael J. Hsu, Acting Comptroller of the Currency
- Rohit Chopra, Director, Consumer Financial Protection Bureau
- Gary Gensler, Chair, Securities and Exchange Commission
- Martin Gruenberg, Chairman, Federal Deposit Insurance Corporation
- Rostin Behnam, Chairman, Commodity Futures Trading Commission
- Sandra L. Thompson, Director, Federal Housing Finance Agency
- Todd M. Harper, Chairman, National Credit Union Administration
- Thomas Workman, Independent Member with Insurance Expertise
- Stacey Schreft, Deputy Director, Office of Financial Research (non-voting member) (acting pursuant to delegated authority)
- Steven Seitz, Director, Federal Insurance Office (non-voting member)
- Elizabeth K. Dwyer, Superintendent of Financial Services, Rhode Island Department of Business Regulation (non-voting member)
- Adrienne A. Harris, Superintendent, New York State Department of Financial Services (non-voting member) (virtual)
- Melanie Lubin, Securities Commissioner, Office of the Attorney General of Maryland, Securities Division (non-voting member)

Additional information regarding the Council, its work, and the recently approved meeting minutes is available at <http://www.fsoc.gov>.

###

