



U.S. Department of the Treasury **Office of Public Affairs**

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READOUT: Financial Stability Oversight Council Meeting on July 28, 2023

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

During the executive session, the Council heard a presentation from staff of the Treasury, Federal Housing Finance Agency, and Ginnie Mae regarding efforts to address financial stability risks related to nonbank mortgage servicers.

The Council also received an update from Treasury and Office of the Comptroller of the Currency staff on work by the Council’s Climate-related Financial Risk Committee, including ongoing interagency efforts to identify and monitor financial system vulnerabilities and deepen Council members’ understanding of climate-related financial risks.

In addition, the Council discussed current conditions in the banking sector and heard an update from staff from the Board of Governors of the Federal Reserve System (Federal Reserve Board) on the results of the 2023 bank stress tests. The Federal Reserve Board found that participating banks are well positioned to weather significant downside scenarios and to continue to lend to households and businesses even during a severe recession. Staff from the Federal Reserve Board also described conducting an exploratory market shock on the trading books of the largest banks in order to further understand the risks with their trading activities and to ensure banks are resilient to a range of different risks.

During the public session, the Council received a presentation from Treasury staff on the Climate-related Financial Risk Committee’s staff progress report, which was published after the meeting, and several Council members provided updates on their agencies’ progress in assessing and addressing climate-related financial risks.

The Council also received an update from the Federal Reserve Board on the transition away from LIBOR, including the June 30, 2023, cessation date for U.S. dollar LIBOR. The Council noted that the successful transition to SOFR bolstered the resiliency of the financial system and was the result of a public-private partnership spanning nearly a decade.

The Council also voted to approve the minutes of its previous meeting on June 16, 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 (virtual)
- Thomas Workman, Independent Member with Insurance Expertise
- James Martin, Acting Director, Office of Financial Research (non-voting member) (virtual)
- 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, the staff progress report on climate-related financial risk, and the recently approved meeting minutes is available at <http://www.fsoc.gov>.

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