



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

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Readout of Financial Stability Oversight Council Meeting

Washington – U.S. Treasury Secretary Steven T. Mnuchin today convened a meeting of the Financial Stability Oversight Council (Council) in executive session at the U.S. Department of the Treasury (Treasury).

The Council discussed the development of its 2019 annual report and potential amendments to its interpretive guidance on nonbank financial company designations.

The Council also heard a presentation from staff of the Board of Governors of the Federal Reserve System (the Federal Reserve Board), the Office of the Comptroller of the Currency (the OCC), the Federal Deposit Insurance Corporation (the FDIC), and Treasury regarding cloud service providers. The Council discussed financial institutions' use of cloud service providers, banking agencies' authorities to oversee third-party service providers, and regulators' current supervisory activities related to cloud service providers.

In addition, the Council heard a presentation from staff of the Federal Reserve Board, the OCC, and the FDIC regarding the upcoming implementation of the Financial Accounting Standards Board's (the FASB) new accounting standard for credit losses, commonly referred to as the current expected credit losses methodology (CECL). Council members discussed the status of CECL implementation, several recently published studies regarding CECL's potential impact on financial institutions, and the ongoing efforts of FASB and the federal banking agencies to facilitate the implementation of CECL.

The Council also voted to approve the appointment of Stephen Ledbetter, the Director of Policy in the Office of the Financial Stability Oversight Council at Treasury, as Executive Director of the Council. Finally, the Council voted to approve the minutes of its previous meeting on September 4, 2019.

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

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