



FEDERAL RESERVE BANK *of* ST. LOUIS
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Prepared Introductory Remarks¹

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**2021 *Community Banking in the 21st Century* Research and Policy Conference (Virtual)
Federal Reserve System, Conference of State Bank Supervisors (CSBS) and Federal Deposit
Insurance Corporation (FDIC)
Sept. 28, 2021**

On behalf of the Federal Reserve Bank of St. Louis, I'd like to welcome you to this year's virtual community bank research conference. I'd also like to acknowledge the important partnership we enjoy with the Conference of State Bank Supervisors, the Federal Deposit Insurance Corporation, the Board of Governors and other Reserve banks to bring you this conference every year.

In "normal" times, we would be gathering in St. Louis to hear from an impressive array of researchers, bankers and regulators from around the world—and after the formal presentations were over, we'd meet informally in our Gateway Conference Center to engage in lively discussions and debate ideas.

Over the years, those discussions have led to new relationships. They've also generated new research ideas. For example, I recently learned that one of the papers in this year's conference came about directly because of a conversation between a community banker and a researcher a few years ago at this conference.

While those conversations will be a bit more challenging in the virtual environment, we've all gotten much better at working, communicating and interacting with each other virtually over the past 18 months. I encourage you to take full advantage of the opportunities to connect with one another during this virtual event in order to keep information and ideas flowing between

¹ Any opinions expressed here are my own and do not necessarily reflect those of the Federal Open Market Committee.

all of our presenters and attendees. That's the real value of this and all research conferences: the exchanging of ideas.

This year's conference focuses on a number of important ideas, including:

- The impact of two extraordinary pandemic-era programs: the Paycheck Protection Program and the Federal Reserve's Paycheck Protection Program Liquidity Facility
- The impact of minority banks in their communities and the role community development financial institutions (CDFIs) play in allocating credit to low- and moderate-income communities
- The consequences and incentives around supervisory oversight

We'll also hear from an expert panel of community bankers who will offer their views on the future of commercial real estate lending.

As we just heard, thanks to the efforts of the state banking commissioners who conduct the CSBS National Survey of Community Banks, community banks were able to understand and react quickly to the challenges of the pandemic. They are now looking ahead to a future that will consist of new competitors and new technologies that could have a significant impact on how banks will offer products and services in the future.

Understanding that future is a challenge for all of us—researchers, regulators, policymakers and community bankers. That's why I believe that this conference is so important—it's the one place that we very deliberately bring all of those perspectives together.

Among the perspectives that inform our thinking on the future of community banking are those of our first keynote speaker: Federal Reserve Gov. Miki Bowman.

Gov. Bowman, with her focus on community and regional banking organizations, has brought new ideas and new energy to the Board of Governors regarding banking and banking supervision issues. She's challenged staff to promote innovation and lessen regulatory burden while also strengthening our overall banking and financial system.

As a former community banker and state regulator, she brings important insights to her work at the Fed and to forums such as this conference. I appreciate the commitment she has made to incorporate a wide range of perspectives into her thinking as she implements new initiatives

and ideas. I also appreciate the commitment she has made to this conference—and her commitment to participate in these proceedings every year since she became a Fed governor (and even prior to becoming governor).

Welcome, Gov. Bowman.