

DATE: May 22, 2003

SUBJECT: Banking Agencies Issue Host State Loan-to-Deposit Ratios

HIGHLIGHTS: The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency today issued the host state loan-to-deposit ratios that the banking agencies will use to determine compliance with section 109 of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994. These ratios update data released on June 24, 2002.

In general, section 109 prohibits a bank from establishing or acquiring a branch or branches outside of its home state primarily for the purpose of deposit production. Section 109 also prohibits branches of banks controlled by out-of-state bank holding companies from operating primarily for the purpose of deposit production.

DOCUMENT

LOCATION: <http://www.federalreserve.gov/boarddocs/press/bcreg/2003/20030522/>

FURTHER INFORMATION: Henry F. Dove, Jr., Supervisory Examiner,
Banking Supervision and Regulation Department
(314) 444-8846, or 1-800-333-0810, ext. 448846