

Dear Secretary Beckham,

Thank you for your efforts to assist state agencies with maintaining stability and essential services for Connecticut's residents and otherwise address the likely impacts of a potential federal government shutdown beginning on October 1.

Any impact of such a shutdown on the Department of Banking (DOB) would be minimal and indirect. Notably, since DOB is completely industry funded and does not receive any federal grants or other federal funding, there would be no direct fiscal impact.

DOB does, however, regularly partner and coordinate with several federal financial regulatory agencies responsible for regulating the banking, securities, and mortgage, and consumer credit industries. These federal regulators, which include the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA) the Office of the Comptroller of the Currency (OCC), the Federal Reserve Board (FRB), and the Securities and Exchange Commission are themselves industry funded so we expect any effect on the work of our examination, enforcement, and consumer assistance staff to be minimal. Should these federal regulators be required to reduce their hours of operation or further reduce staffing, our joint examination programs and DOB's consumer assistance programs will certainly be impacted. To counteract this, DOB would need to shift examiner and other staff resources to mitigate risks to the public and protect the stability of the financial system.

In addition, as it has during other federal shutdowns, DOB will engage with the financial institutions and financial services

companies which it regulates to discuss their plans to support impacted Connecticut consumers, *e.g.*, federal employees who may not receive a salary during the pendency of a shutdown. We will seek to ensure that the entities DOB regulates have appropriate and effective strategies to meet the needs of their impacted customers.

If the potential shutdown turns out to be long-term, I will keep you apprised of new developments.

JACQUELINE SHIRLEY
Fiscal Administrative Manager I
Business Office Manager
Department of Banking
260 Constitution Plaza
Hartford, CT 06103-1800
Telephone: (860) 240-8121
E-mail: Jacqueline.Shirley@ct.gov