

Press Releases

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OTS 05-45 - OTS Director Reich In New Orleans

Office of Thrift Supervision

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For further information

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OTS Director Reich In New Orleans

WASHINGTON, D.C. - As part of the Office of Thrift Supervision's (OTS) ongoing efforts to assist in the cleanup and rebuilding of hurricane-affected areas in the Gulf Coast states, OTS Director John Reich traveled to New Orleans yesterday.

Director Reich toured several parts of the city most affected by Hurricane Katrina, and he also met with a number of savings association CEOs to learn from them what their current and future needs and expectations are for the New Orleans area.

Reich said that he observed "mile after mile after mile of devastation, debris, and vacant homes and businesses" many of which will likely be demolished. The toll on New Orleans from Hurricane Katrina is "almost incomprehensible," he stated.

Having seen the devastation in New Orleans first hand, Reich praised the efforts, resourcefulness and ingenuity of bankers in addressing many of the enormous issues presented in the aftermath of Hurricane Katrina. Reich talked to savings association representatives who, in the days immediately following the hurricane, provided assistance to customers with opening accounts, accessing funds or simply providing information from a number of makeshift venues. Some institutions set up tables outside their headquarters and branches, and others operated out of warehouses or other office buildings. In a testament to the strength and resilience of community banks, Director Reich commented that institutions did whatever was needed to serve their customers and the victims of this tragedy.

Reich stated that while he was optimistic about the short-term prospects of the thrift industry in New Orleans, he was very concerned about the long-term effect of the hurricane. The economic outlook and job creation are critical to get New Orleans back on its feet, but first there has to be a place for businesses and communities to reestablish. Reich indicated that "this is what will define the future of New Orleans."

Reich pledged that OTS would continue to work with institutions in the hurricane-affected areas to provide whatever assistance they need. He noted that the agency would strive to provide maximum flexibility to permit institutions sufficient latitude to restore their operations and service their customers. OTS will continue to monitor the needs of savings associations and their customers as the rebuilding progresses. Additional guidance will be provided, as

necessary, to help address those needs. Institutions with immediate concerns or questions in dealing with customers affected by the hurricane should contact Duane Thorkildsen at (972) 277-9539 at the OTS Midwest Regional office, or Art Goodhand at (404) 888-8565 at the OTS Southeast Regional office.

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The Office of Thrift Supervision, an office of the Department of the Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of, and compliance with consumer protection laws by, thrift institutions, and to support their role as home mortgage lenders and providers of other community credit and financial services. OTS also oversees the activities and operations of thrift holding companies that own or control thrift institutions. Copies of OTS news releases and other documents are available at the OTS web page at www.ots.treas.gov.