



OKLAHOMA
BANKERS
ASSOCIATION

NEWS RELEASE

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How government's shutdown affects Oklahoma banks

OKLAHOMA CITY — The government shutdown has raised a few questions about what it may mean for individual consumers. How will it impact the ability to access their money and other banking services? Is the FDIC insurance still effective and in place? Here's what consumers need to know:

- **Access to your money.** Yes, you will continue to have access to your money. ATMs will continue to work and your bank will still be open during its regular business hours;
- **Deposits are safe.** Your money is safe. The Federal Deposit Insurance Corporation (FDIC) will continue to insure your deposits up to \$250,000. Remember: **your bank BUYS this insurance.** It is not taxpayer money and, thus, is not affected by the appropriations process in Congress;
- **Social Security and Medicare payments will continue.** Both are funded by payroll taxes and those payments will continue during the shutdown, however long it may last;
- **Most loans are still available.** Fannie Mae and Freddie Mac are largely unaffected by the shutdown. Their operations are funded by fees to lenders, so most loans will continue to be available to consumers. This same scenario applies to VA loans. While the loans are available, the tax transcripts (from the IRS), which may be required by some vendors to close, are not. **BUT;**
- **Some government-guarantee loans may be unavailable.** There's a lot of confusion out there, but the Farm Service Agency (part of the Department of Agriculture), the Federal Housing Administration and the Small Business Administration will continue to process loans, but at a reduced rate. As a result this may create a backlog and could keep banks from offering consumers these products. This does not apply to Fannie or Freddie, as noted above;
- **Banks will continue to be regulated.** Federal banking regulators – the Federal Reserve, the Office of the Comptroller of the Currency, the Consumer Financial Protection Bureau and the FDIC – are all open and will remain open because they are not subject to the federal budget. Banks pay for those federal banking examinations.

Oklahoma bankers will continue to work with their customers as they always have, and they will be ready to answer any questions or concerns raised by their customers about how they may be impacted by the shutdown. Most customers and bank services will not be affected by this national event.

The OBA conducts more than 70 educational programs and seminars each year, which reach more than 5,000 bankers across the state. The Association represents approximately 230 banks across the state and serves as the primary advocate for the banking industry. It's also heavily involved in fraud training and prevention as well as legal and compliance services and communications for its member banks.

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