

## Press Releases

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### OTS 00-92 - OTS Proposes Optional Bylaws That Don't Need Prior Approval

#### Office of Thrift Supervision

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For further information

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### OTS Proposes Optional Bylaws That Don't Need Prior Approval

SEATTLE, Wash., Oct. 31, 2000 - The Office of Thrift Supervision (OTS) said today it is issuing a regulatory proposal to have optional bylaws that savings associations could adopt without first obtaining OTS approval. By not requiring advance notice and allowing the thrift simply to notify OTS within 30 days of its action, the proposal reduces regulatory burden, OTS said.

To be published in Thursday's Federal Register with a comment period running through Jan. 2, 2001, the proposal states that adoption of any optional bylaws is entirely up to the institution.

The regulatory agency also is seeking comment on a proposed first bylaw in the optional set. The proposed optional bylaw would preclude from serving as a director of a savings and loan association anyone who is under indictment for certain crimes, has been convicted of them, or is under an enforcement order by any banking regulator for conduct involving dishonesty or breach of trust. The proposed bylaw would not bar anyone from the thrift industry. Rather, its intended purpose is to permit federal savings associations to better set the qualifications for membership on their respective boards.

The proposal reflects the long-standing position of Congress that directors need to be individuals with good judgment and character, OTS said. If the regulation is approved, the optional bylaws would become part of the OTS applications processing handbook.

Federal Savings Association Bylaws Proposed Rulemaking - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-92a.pdf>

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The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents visit the OTS web page at [www.ots.treas.gov](http://www.ots.treas.gov).