

**Community Depository Institutions Advisory Council**  
**Discussion Questions**  
**March 29, 2022 Meeting**  
**Federal Reserve Bank of New York**

**1. Economic Discussion:**

**a. Overall Economic Conditions:** *How do Council members assess overall economic conditions in their regions?*

**b. Particular Indicators:**

i. Inflation: *Are the prices of products and services rising (or declining) more or less quickly than in the recent past? Are the prices for the products and services Council members purchase rising more or less quickly?*

ii. Housing: *How have home prices changed in recent months? Have there been any changes in overall housing activity in Council members' Districts?*

iii. Labor Markets: *How have the labor markets in which Council members operate changed in recent months? In particular, please assess the degree of job loss or gain (and, in which industries). Please comment on the changes to wages that Council members have observed over the past year.*

iv. Consumer Confidence: *Are Council members seeing any signs of improved (or declining) consumer confidence? What is the outlook for consumer credit losses?*

**2. Current Banking Conditions:** *What is the Council's view of the current condition of, and the outlook for, loan markets and financial markets in general? Please describe any significant changes in the creditworthiness of applicants for loans, loan demand, underwriting, and lending standards in general.*

a. **Small Business Lending:** *Has credit availability for, and demand for credit from, small businesses changed significantly? Have lending standards for these borrowers changed? Do Council members see evidence that the pandemic is slowing economic activity in this sector?*

b. **Commercial Real Estate Lending:** *Have there been any changes in the Council's view of challenges in the commercial real estate market since the Council's last meeting in November 2021? How are commercial real estate loans performing compared to the Council's expectations?*

c. **Construction Lending:** *What are Council members' perspectives on the availability of credit for construction and development projects? Have Council members seen any changes in the demand for construction loans since the Council's November 2021 meeting?*

d. **Home Mortgage Lending:** *What changes have Council members seen in the mortgage market? How, if at all, is regulation impacting the participation of community depository institutions in this market?*

- e. **Consumer Lending:** *What changes have Council members seen in consumer lending? Please comment specifically on credit card and auto lending.*
  - f. **Agricultural Lending:** *Have there been any changes in agricultural lending?*
  - g. **Deposits:** *What changes have Council members seen in local deposit markets? Describe these changes by segment (retail, small business, and corporate). What are Council members' expectations with respect to deposit levels?*
  - h. **Mergers and Acquisitions Activity:** *What trends are Council members observing with respect to mergers and acquisitions among depository institutions and their holding companies?*
3. **Central Bank Digital Currency.** *On January 20, 2022, [the Federal Reserve issued a report](#) assessing the potential benefits and risks of creating a U.S. central bank digital currency (CBDC). Does the Council recommend that the Federal Reserve play a role in providing and overseeing a digital version of the dollar? If so, what role does the Council recommend? From the Council's perspective, what are the most significant opportunities and risks that a domestic CBDC could pose to the effective and efficient functioning of the payment system?*
4. **Examination Practices:** *What has been the experience of Council members in the most recent examinations? Have you seen examination practices impact the flow of credit? What is the appropriate balance between off-site and on-site examinations generally? Are there particular areas of review that are better accomplished on-site? Are there particular areas of review that are better accomplished off-site? How can supervisors improve their communications (both formal and informal) with supervised institutions ?*
5. **Regulatory and Payments Matters:** *How are recent changes in the regulatory landscape affecting the ability of community depository institutions to continue providing services to their customers? In particular, please comment on how community depository institutions are preparing for upcoming changes in the payments space, including the release of FedNow. Do institutions have access to necessary information including, but not limited to, information related to cybersecurity? Is there more the Federal Reserve can do to help?*
6. **Additional Matters:** *Do Council members wish to present any other matters affecting community depository institutions that have emerged from meetings of the Reserve Banks' advisory councils?*