



**Federal Deposit Insurance Corporation**  
550 17th Street NW, Washington, DC 20429

## **Host State Loan-to-Deposit Ratios**

FIL-99-2004  
August 26, 2004

TO: CHIEF EXECUTIVE OFFICER (also of interest to Compliance Officer)

SUBJECT: 2004 Host State Loan-to-Deposit Ratios

Summary: *The federal banking agencies have issued the host state loan-to-deposit ratios for 2004.*

The Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board, and the Office of the Comptroller of the Currency have issued the 2004 host state loan-to-deposit ratios that the agencies will use to determine compliance with Section 109 of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (Riegle-Neal Act). Attached is the joint press release, dated August 26, 2004, that announces the 2004 host state-loan-to-deposit ratios.

Section 109 of the Riegle-Neal Act prohibits any bank from establishing or acquiring a branch outside of its home state primarily for the purpose of deposit production. Pursuant to the Gramm-Leach-Bliley Act of 1999, this prohibition applies to any bank branch controlled by an out-of-state bank holding company. As part of the test for compliance with Section 109, a banks statewide loan-to-deposit ratio is compared to the appropriate host states loan-to-deposit ratio.

For more information, please contact Deirdre Foley, Senior Policy Analyst in the FDICs Division of Supervision and Consumer Protection, at (202) 898-6612.

FDIC Financial Institution Letters may be accessed from the FDICs Web site at <http://www.fdic.gov/news/news/financial/2004/index.html>. To learn how to automatically receive FDIC Financial Institution Letters through e-mail, please visit <http://www.fdic.gov/about/subscriptions/index.html>. This Financial Institution Letter (FIL) supersedes FIL-41-2003, dated May 22, 2003.

Michael J. Zamorski  
Director  
Division of Supervision and Consumer Protection

# # #

### Attachment

Distribution: FDIC-Supervised Banks (Commercial and Savings)

NOTE: Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 801 17th Street, NW, Room 100, Washington, DC 20434 (1-877-275-3342 or (703) 562-2200).