



Regulatory Updates – 2023

AGENCY	DATE ISSUED	SUMMARY	BUSINESS UNITS AFFECTED	EFFECTIVE DATE
CFPB	10/11/2023	<p><u>Consumer Information Requests to Large Banks and Credit Unions</u> The Consumer Financial Protection Bureau (CFPB) is issuing this Advisory Opinion regarding section 1034(c) of the Consumer Financial Protection Act (CFPA), which requires large banks and credit unions to comply in a timely manner with consumer requests for information concerning their accounts for consumer financial products and services, subject to limited exceptions. <i>This is applicable to institutions over \$10 billion.</i></p>	Lending and Retail	10/11/2023
CFPB	10/12/2023	<p><u>Joint Statement on Fair Lending and Credit Opportunities for Noncitizen Borrowers under the Equal Credit Opportunity Act</u> The Consumer Financial Protection Bureau and Department of Justice (collectively, the agencies) jointly issue this statement to assist creditors and borrowers in understanding the potential civil rights implications of a creditor’s consideration of an individual’s immigration status under the Equal Credit Opportunity Act (ECOA). ECOA does not expressly prohibit consideration of immigration status, and, as explained further below, a creditor may consider an applicant’s immigration status when necessary to ascertain the creditor’s rights regarding repayment. However, creditors should be aware that unnecessary or overbroad reliance on immigration status in the credit decisioning process, including when that reliance is based on bias, may run afoul of ECOA’s antidiscrimination provisions and could also violate other laws.</p>	Lending	10/12/2023
FinCEN	10/20/2023	<p><u>FinCEN Renews and Expands Real Estate Geographic Targeting Orders</u> The Financial Crimes Enforcement Network (FinCEN) today announced the renewal and expansion of its Geographic Targeting Orders (GTOs) that require U.S. title insurance companies to identify the natural persons behind companies used in non-financed purchases of residential real estate. The terms of the GTOs are effective beginning October 22, 2023 and ending on April 18, 2024. The GTOs continue to provide valuable data on the purchase of residential real estate by persons possibly involved in various illicit enterprises. Renewing the GTOs will further assist in tracking illicit funds and other criminal or illicit activity, as well as continuing to inform FinCEN’s regulatory efforts in this sector.</p>	BSA	10/22/2023

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FRB FDIC OCC	10/24/2023	<p><u>Agencies Issue Final Rule to Strengthen and Modernize Community Reinvestment Act Regulations</u> Federal bank regulatory agencies today jointly issued a final rule to strengthen and modernize regulations implementing the Community Reinvestment Act (CRA) to better achieve the purposes of the law. The CRA is a landmark law enacted nearly 50 years ago to encourage banks to help meet the credit needs of their entire communities, especially in low- and moderate-income (LMI) neighborhoods, in a safe and sound manner.</p> <p>In general, the rule becomes effective April 1, 2024. Certain amendments in the rule that refer to the Small Business Loan Reporting requirements in subpart B of CFPB Regulation B (12 C.F.R. part 1002) are delayed indefinitely pending a resolution of the validity and applicability of the Small Business Loan Reporting requirements. The agencies will publish an announcement of an effective date for those delayed amendments. One group of selected sections of the common rule text adopted by the agencies will be applicable on January 1, 2026; another group of selected sections of the rule implementing reporting requirements will be applicable on January 1, 2027, with data reporting each April 1, beginning in 2027.</p>	All	4/01/2024
CFPB FRB OCC	11/13/2023	<p><u>Agencies Announce Dollar Thresholds for Smaller Loan Exemption from Appraisal Requirements for Higher-priced Mortgage Loans</u> The Consumer Financial Protection Bureau, the Federal Reserve Board, and the Office of the Comptroller of the Currency today announced that the 2024 threshold for whether higher-priced mortgage loans are subject to special appraisal requirements will increase from \$31,000 to \$32,400.</p>	Lending	1/01/2024
CFPB FRB	11/13/2023	<p><u>Agencies Announce Dollar Thresholds for Applicability of Truth in Lending and Consumer Leasing Rules for Consumer Credit and Lease Transactions</u> The Federal Reserve Board and the Consumer Financial Protection Bureau today announced the dollar thresholds used to determine whether certain consumer credit and lease transactions in 2024 are subject to certain Regulation Z (Truth in Lending) and Regulation M (Consumer Leasing) requirements. Based on the annual percentage increase in the CPI-W as of June 1, 2023, Regulation Z (Truth in Lending) and Regulation M (Consumer Leasing) generally will apply to consumer credit transactions and consumer leases of \$69,500 or less in 2024. However, private education loans and loans secured by real property, such as mortgages, are subject to Regulation Z (Truth in Lending) regardless of the amount of the loan.</p>	Lending	1/01/2024
OCC	12/06/2023	<p><u>OCC Issues Guidance on ‘Buy Now, Pay Later’ Lending</u> The guidance focuses on the risk management of buy now, pay later (BNPL) loans, which are payable in four or fewer installments and carry no finance charges. The guidance notes that banks should maintain underwriting, repayment terms, pricing, and safeguards that minimize adverse customer</p>	Lending	12/06/2023

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		outcomes and should ensure that marketing materials and disclosures are clear and conspicuous. Additionally, prudent BNPL lending includes safeguards that minimize adverse customer outcomes.		
CFPB	12/18/2023	Home Mortgage Disclosure (Regulation C) Adjustment to Asset-Size Exemption Threshold The exemption threshold is adjusted to increase to \$56 million from \$54 million. The adjustment is based on the 4.1 percent increase in the average of the CPI-W for the 12-month period ending in November 2023. Therefore, banks, savings associations, and credit unions with assets of \$56 million or less as of Dec. 31, 2023, are exempt from collecting data in 2024.	Lending	1/01/2024
CFPB	12/18/2023	Truth in Lending Act (Regulation Z) Adjustment to Asset-Size Exemption Threshold For certain first-lien higher-priced mortgage loans, the exemption threshold is adjusted to increase to \$2.640 billion from \$2.537 billion. Therefore, creditors with assets of less than \$2.640 billion (including assets of certain affiliates) as of Dec. 31, 2023, are exempt, if other requirements of Regulation Z also are met, from establishing escrow accounts for higher-priced mortgage loans in 2024. This asset limit will also apply during a grace period, in certain circumstances, with respect to transactions with applications received before April 1 of 2025. For certain insured depository institutions and insured credit unions meeting certain conditions, including an asset size exemption threshold, the exemption threshold is adjusted to increase to \$11.835 billion from \$11.374 billion. Therefore, insured depository institutions and insured credit unions that during calendar year 2023 had assets of \$11.835 billion or less on December 31, 2023, will meet the asset-size exemption threshold for purposes of any loan consummated in 2024 and for purposes of any loan secured by a first lien on a principal dwelling of a consumer consummated in 2025 for which the application was received before April 1, 2025. These adjustments are based on the 4.1 percent increase in the average of the CPI-W for the 12-month period ending in November 2023.	Lending	1/01/2024
FDIC FRB OCC	12/20/2023	Community Reinvestment Act Regulations Asset-Size Thresholds The Board and the FDIC (collectively, the Agencies) are amending their Community Reinvestment Act (CRA) regulations to adjust the asset-size thresholds used to define “small bank” and “intermediate small bank.” As required by the CRA regulations, the adjustment to the threshold amount is based on the annual percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). Small bank means a bank that, as of December 31 of either of the prior two calendar years, had assets of less than \$1.564 billion. Intermediate small bank means a small bank with assets of at least \$391 million as of December 31 of both of the prior two calendar years and less than \$1.564 billion as of December 31 of either of the prior two calendar years. The OCC released their update which mirrors the FDIC and FRB on December 26, 2023.	Lending	1/01/2024
FDIC	12/20/2023	FDIC Official Signs and Advertising Requirements, False Advertising, Misrepresentations of Insured Status, and Misuse of the FDIC’s Name or Logo	Retail	Effective 4/01/2024

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		<p>The Federal Deposit Insurance Corporation (FDIC) finalized a rule to amend part 328 of its regulations to modernize the rules governing use of the official FDIC sign and insured depository institutions' (IDIs') advertising statements to reflect how depositors do business with IDIs today, including through digital and mobile channels. The final rule also clarifies the FDIC's regulations regarding misrepresentations of deposit insurance coverage, which apply to any person, including IDIs and non-bank entities. The final rule addresses specific scenarios where consumers may be misled as to whether they are conducting business with an IDI and whether their funds are protected by federal deposit insurance. The final rule extends the certainty and confidence the FDIC official sign has consistently provided since the 1930s at traditional IDI branch teller windows to the evolving digital banking channels through which depositors increasingly handle their banking needs today.</p>		Mandatory 1/01/2025
FinCEN	12/22/2023	<p><u>Beneficial Ownership Information Access and Safeguards</u> FinCEN is promulgating regulations regarding access by authorized recipients to beneficial ownership information (BOI) that will be reported to FinCEN pursuant to section 6403 of the Corporate Transparency Act (CTA), enacted into law as part of the Anti-Money Laundering Act of 2020 (AML Act), which is itself part of the National Defense Authorization Act for Fiscal Year 2021 (NDAA). The regulations implement the strict protocols required by the CTA to protect sensitive personally identifiable information (PII) reported to FinCEN and establish the circumstances in which specified recipients have access to BOI, along with data protection protocols and oversight mechanisms applicable to each recipient category. The disclosure of BOI to authorized recipients in accordance with appropriate protocols and oversight will help law enforcement and national security agencies prevent and combat money laundering, terrorist financing, tax fraud, and other illicit activity, as well as protect national security.</p>	All	2/20/2024