



Regulatory Updates – 3rd Quarter 2024

AGENCY	DATE ISSUED	SUMMARY	BUSINESS UNITS AFFECTED	EFFECTIVE DATE
OCC FDIC FRB	7/12/2024	<p><u>Agencies Release List of Distressed or Underserved Nonmetropolitan Middle-Income Geographies</u></p> <p>Federal bank regulatory agencies today released the 2024 list of distressed or underserved nonmetropolitan middle-income geographies where certain bank activities are eligible for Community Reinvestment Act (CRA) credit. Under the CRA, the agencies assess a bank's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations. The list released by the agencies includes distressed or underserved nonmetropolitan middle-income geographies where revitalization or stabilization activities are eligible to receive CRA consideration. The designations reflect local economic conditions, including unemployment, poverty, and population changes. Previous years' lists and criteria for designating these areas are available here. Revitalization or stabilization activities in these geographies are eligible to receive CRA consideration under the community development definition for 12 months after publication of the current list. As with past lists, the agencies apply a one-year lag period for geographies that were included in 2023 but are no longer designated as distressed or underserved in the current list.</p>	Lending	7/12/2024

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CFPB OCC FDIC FRB NCUA FHFA	7/17/2024	<p><u>Agencies issue final rule to help ensure credibility and integrity of automated valuation models</u></p> <p>Six federal regulatory agencies today issued a final rule, pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, designed to help ensure the credibility and integrity of models used in valuations for certain mortgages secured by a consumer's principal dwelling. In particular, the rule will implement quality control standards for automated valuation models (AVMs) used by mortgage originators and secondary market issuers in valuing those homes. The final rule is substantially similar to the proposal issued in June 2023. Under the final rule, the agencies will require institutions that engage in certain transactions secured by a consumer's principal dwelling to adopt policies, practices, procedures, and control systems designed to:</p> <ul style="list-style-type: none"> - ensure a high level of confidence in estimates; - protect against data manipulation; - seek to avoid conflicts of interest; - require random sample testing and reviews; and - comply with nondiscrimination laws. <p>The CFPB has also issued a Fast Facts about the final rule.</p>	Lending	10/01/2025
CFPB OCC FDIC FRB NCUA	7/18/2024	<p><u>Agencies Finalize Interagency Guidance on Reconsiderations of Value for Residential Real Estate Valuations</u></p> <p>Five federal regulatory agencies today issued final guidance addressing reconsiderations of value (ROVs) for residential real estate transactions. The guidance advises on policies and procedures that financial institutions may implement to allow consumers to provide financial institutions with information that may not have been considered during an appraisal or if deficiencies are identified in the original appraisal. ROVs are requests from a financial institution to an appraiser or other preparer of a valuation report to reassess the value of residential real estate. Deficiencies identified in valuations, either through an institution's valuation review processes or through consumer-provided information, may be a basis for financial institutions to question the credibility of the appraisal or valuation report. The guidance offers examples of ROV policies and procedures that a financial institution may implement to help institutions identify, address, and mitigate discrimination risk; describes the risks of deficient residential real estate valuations; and explains how financial institutions may incorporate ROV processes into risk management functions. The agencies finalized the guidance largely as proposed, with the addition of clarifying edits based on public comments received on the proposed guidance published in July 2023.</p>	Lending	7/26/2024

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FDIC	7/18/2024	<p><u>FDIC releases FAQ on new signage rule</u></p> <p>The FDIC has released a list of questions and answers about its new rule regarding the display of the official FDIC sign in banks and bank digital channels, as well as the misrepresentation of deposit insurance status. The FAQ will be periodically updated.</p>	Retail	7/18/2024
FinCEN	7/26/2024	<p><u>FinCEN Issues Notice to Financial Institution Customers on BOI Requirements</u></p> <p>On July 25, 2024, FinCEN issued a notice to customers of financial institutions about reporting beneficial ownership information. Certain entities, including many small businesses, are required to report information about the individuals who ultimately own or control them (also known as their “beneficial owners”) to the Financial Crimes Enforcement Network (FinCEN). A separate regulatory requirement currently requires many financial institutions to also collect beneficial ownership information from certain customers that seek to open accounts as part of Federal customer due diligence requirements.</p> <p>This guide answers key questions about two separate requirements: (1) reporting beneficial ownership information to FinCEN under the CTA; and (2) providing beneficial ownership information to financial institutions in connection with Federal customer due diligence requirements.</p>	All	7/26/2024
FinCEN	8/02/2024	<p><u>Important Announcement for Users of OFAC’s Compliance Hotline</u></p> <p>OFAC announced it will fully transition its Compliance Hotline to this web form platform by January 1, 2025, and will retire other existing forms of contacting the OFAC Compliance Hotline according to the following schedule: OFAC will retire the Compliance Hotline email (OFAC_Feedback@treasury.gov) on August 16, 2024; and its Compliance Hotline telephone (1-800-540-6322 and 202-622-2490) on December 31, 2024.</p>	All	8/16/2024
FNMA FHLMC HUD/FHA	8/06/2024	<p><u>Updated Implementation Date to Oct. 31st for Reconsideration of Value</u></p> <p>The secondary market GSEs and HUD have delayed the implementation date for their Reconsideration of Value (ROV) requirements from their May 1, 2024. The delay pushes the August 29, 2024, date to October 31, 2024. This is separate from the ROV guidance recently released by the CFPB.</p>	Lending	8/06/2024

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FDIC	8/09/2024	<p><u>Classification of Interactive Teller Machines as Domestic Branches or Remote Service Units</u></p> <p>Section 18(d) of the Federal Deposit Insurance Act (FDI Act) (12 U.S.C. § 1828(d)) requires a state nonmember bank to obtain the FDIC's consent before establishing a domestic branch. Section 3(o) of the FDI Act (12 U.S.C. § 1813(o)) specifically excludes automated teller machines (ATMs) and remote service units (RSUs) from the definition of domestic branch.</p> <p>Interactive Teller Machine (ITM) technology has become increasingly sophisticated in recent years. State nonmember banks have sought guidance from the FDIC regarding whether the proposed use of an ITM at a location other than an established branch facility would require the filing of a domestic branch application, or would qualify for the RSU exclusion to the definition of domestic branch (meaning no branch application would be necessary). ITMs generally resemble automated teller machines but allow customers to interact with live tellers to complete a variety of banking transactions.</p>	Retail	8/09/2024
CFPB	8/13/2024	<p><u>Truth in Lending (Regulation Z); Consumer Protections for Home Sales Financed Under Contracts for Deed</u></p> <p>The Consumer Financial Protection Bureau (CFPB) today released an advisory opinion and research report on a form of home seller financing that is often referred to as contract for deed. Under contract-for-deed deals, the seller agrees to turn over a home's deed only after the buyer completes a series of payments. The advisory opinion affirms that federal home lending rules and laws cover contracts for deed and provide key consumer protections.</p>	Lending	8/13/2024
CFPB	8/16/2024	<p><u>CFPB publishes filing instructions guide for the small business lending rule for 2025</u></p> <p>Each year, the CFPB publishes a filing instructions guide describing the filing process, the data fields to be reported, the validation requirements for filing, and a summary of resources to help filers. Here you can find the most recently published guide, as well as links to older versions of the guide for data collected in previous years.</p>	Lending	1/01/2025
FDIC	8/16/2024	<p><u>FDIC Releases Updated FAQs on the new signage rule</u></p> <p>The FDIC published the first set of Q&As in July 2024 and added additional Q&As in August 2024. The FDIC will update the Q&As periodically on the FDIC's website, as needed. The Q&As do not indicate what is new or what changed.</p>	Retail	8/16/2024

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OFAC	8/22/2024	<p><u>OFAC updates FAQs on sanctions</u></p> <p>OFAC is updating many of its FAQs on general sanctions questions and issues. These FAQs are often our most viewed guidance, as they deal with basic principles of sanctions implementation. The first installment of updated FAQs is available now (FAQs 1, 3, 4, 6, 7, 9, 10, 11, 12, 13, 91, 126, 468, and 469) and includes guidance on key topics such as what OFAC means by “blocked property” and how to verify the authenticity of an OFAC document.</p>	All	8/22/2024
CFPB	9/17/2024	<p><u>Consumer Financial Protection Circular 2024-05 - Improper Overdraft Opt-In Practices</u></p> <p>The Consumer Financial Protection Bureau (CFPB) published guidance to help federal and state consumer protection enforcers stop banks from charging overdraft fees based on phantom opt-in agreements. Phantom opt-ins occur when banks claim they have customers’ consent to charge overdraft fees but there is no proof they actually obtained that consent. A bank or credit union can be in violation of the Electronic Fund Transfer Act (EFTA) and Regulation E if there is no proof that it obtained affirmative consent to enrollment in covered overdraft services. The form of the records that demonstrate consumer consent to enrollment may vary according to the channel through which the consumer opts into covered overdraft services.</p>	Retail	9/17/2024
CFPB	9/18/2024	<p><u>Buy Now, Pay Later (BNPL) products</u></p> <p>The CFPB released Frequently Asked Question (FAQ) guidance on Buy Now, Pay Later (BNPL) products. The FAQs provide guidance on applying Regulation Z to BNPL products, such as how to apply credit card periodic statement requirements to Pay-in-Four BNPL products that are accessed by digital user accounts.</p>	Lending	9/18/2024