

Regulatory and Legislative Recap
April 2022

FINAL REGULATIONS/RULES

Effective Date	Rule (Agency)	Citation	Summary
05/01/2022	Exemptions to Suspicious Activity Report Requirements (OCC)	87 FR 15323	The rule modifies the requirements for national banks and Federal savings associations, including Federal branches and agencies of foreign banks licensed or chartered by the OCC, to file suspicious activity reports (SARs). It amends the OCC's SAR regulations to allow the OCC to issue exemptions from the requirements of those regulations upon request from a financial institution subject to those regulations. The rule harmonizes the OCC's legal authority with the preexisting exemption authority of the Financial Crimes Enforcement Network (FinCEN) of the U.S. Department of the Treasury. This rule will make it possible for the OCC to facilitate changes required by the Anti-Money Laundering Act of 2020. The final rule will also make it possible for the OCC to grant relief to national banks or Federal savings associations that develop innovative solutions intended to meet Bank Secrecy Act requirements more efficiently and effectively.
04/29/2022	Supervisory Authority Over Certain Nonbank Covered Persons Based on Risk Determination (CFPB)	87 FR 25397	The CFPB is amending an aspect of procedures for establishing supervisory authority based on a risk determination. Specifically, the Bureau is adding a mechanism for the Bureau to make final decisions and orders in these proceedings public. The Bureau welcomes comments on this rule, and the Bureau may make further amendments if it receives comments warranting changes.

PROPOSED REGULATIONS

Comments Due	Rule (Agency)	Citation	Summary
05/09/2022	Prohibition on Inclusion of Adverse Information in Consumer Reporting in Cases of Human Trafficking (Regulation V)	87 FR 20771	The CFPB is seeking comment on regulations implementing amendments to the Fair Credit Reporting Act (FCRA) that assist consumers who are victims of trafficking. The proposed rule, which would implement a recent amendment to the FCRA, would establish a method for a victim of trafficking to submit documentation to consumer reporting agencies, including information identifying any adverse item of information about the consumer that resulted from certain types of human trafficking, and prohibit the consumer reporting agencies from furnishing a consumer report containing the

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	(CFPB)		adverse item(s) of information.
06/03/2022	Statement of Principles for Climate-Related Financial Risk Management for Large Financial Institutions (FDIC)	87 FR 19507	The FDIC is requesting comment on draft principles that would provide a high-level framework for the safe and sound management of exposures to climate-related financial risks. Although all financial institutions, regardless of size, may have material exposures to climate-related financial risks, these draft principles are targeted at the largest financial institutions, those with over \$100 billion in total consolidated assets. The draft principles are intended to support efforts by large financial institutions to focus on key aspects of climate-related financial risk management.
06/13/2022	Rules of Practice and Procedure (OCC, FRB, FDIC, NCUA)	87 FR 22034	The Agencies are proposing changes to the Uniform Rules of Practice and Procedure (Uniform Rules) to recognize the use of electronic communications in all aspects of administrative hearings and to otherwise increase the efficiency and fairness of administrative adjudications. The OCC, Board, and FDIC are also proposing to modify their agency-specific rules of administrative practice and procedure (Local Rules). The OCC also proposes to integrate its Uniform Rules and Local Rules so that one set of rules applies to both national banks and Federal savings associations and to amend its rules on organization and functions to address service of process.

RESOURCES/GUIDANCE

Guidance	Summary
Enforcement Orders (NCUA)	The NCUA issued two Prohibition Orders and one Prohibition Notice in April. The first Order involved manipulation of loan due dates and unauthorized loan advances. The second Order was for embezzlement by an accounting supervisor. The Notice was from charges of conspiracy to commit financial institution fraud and issue credit union obligations without authority. An Order of Prohibition prohibits a party from ever working for a federally insured depository institution, and a Notice of Prohibition is a notification that a person has been convicted of a criminal offense involving dishonesty or breach of trust and is barred from working for a federally insured depository institution by operation of law.
Medical Billing & Credit Reports (CFPB)	The CFPB issued a report that examines the financial consequences of medical billing and collections endured by individuals and families across the country. The report draws from the rising volume of medical billing and collection complaints submitted to the CFPB. The Complaint Bulletin suggests that many medical bills reported on credit reports are disputed, inaccurate, or not owed.

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Rural Banking Access (CFPB)	<p>The CFPB issued a report on the challenges faced by Americans in rural communities. The report highlights that many of these communities lack access to physical bank branches, are more likely to seek credit from nonbanks, and are heavily affected by medical bills. The CFPB will be expanding its efforts to address these and other challenges facing the people and families of rural America.</p>
Kleptocracy Advisory (FinCEN)	<p>FinCEN issued an advisory on kleptocracy and foreign public corruption, urging financial institutions to focus their efforts on detecting the proceeds of foreign public corruption—a priority for the U.S. Government as it continues to implement the U.S. Strategy on Countering Corruption. The advisory provides typologies and potential indicators of kleptocracy and other forms of foreign public corruption, namely bribery, embezzlement, extortion, and the misappropriation of public assets.</p>
Charter Application Guide (NCUA)	<p>The NCUA released its new <i>Charter Application Guide</i> and other resources to assist people who want to bring federally insured financial services to their communities by starting a federal credit union. The new guide was developed as part of the NCUA’s Advancing Communities through Credit, Education, Stability, and Support, or ACCESS Initiative.</p>
Crypto-Related Activities (FDIC)	<p>The FDIC issued FIL-16-2022 informing all FDIC-supervised institutions that intend to engage in, or that are currently engaged in, any activities involving or related to crypto assets (also referred to as “digital assets”) should notify the FDIC.</p>
Onsite Operations (NCUA)	<p>The NCUA announced that it is moving to Phase 2 of its approach to returning to onsite operations. Phase 2 permits NCUA staff to volunteer to work onsite, including conducting examination and supervision work at credit unions located in counties with low or moderate COVID-19 community levels.</p>
Updated Licensing Booklets (OCC)	<p>The OCC issued the “General Policies and Procedures,” “Management Interlocks,” and “Public Notice and Comments” booklets of the <i>Comptroller’s Licensing Manual</i>. The revised booklets replace booklets of the same title issued between January 2017 and October 2019. The revised booklets reflect recent changes to 12 CFR 5, make corrections where necessary, and contain updated guidance.</p>
Community Developments Investments (OCC)	<p>The OCC published the latest edition of its <i>Community Developments Investments</i> newsletter, “Partners in Recovery: Community Reinvestment and Resilience.” This edition highlights how banks can collaborate with community development financial institutions, minority depository institutions, and other community-based groups to help rebuild communities recovering from the COVID-19 pandemic and natural disasters.</p>

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