FINAL REGULATIONS/RULES

Effective Date	Rule (Agency)	Citation	Summary
04/12/2023	Statement of Policy Regarding Prohibition on Abusive Acts or Practices (CFPB)	88 FR 21883	This policy statement summarizes abusive acts or practices and explains how the Consumer Financial Protection Bureau (CFPB) analyzes the elements of abusiveness through relevant examples, with the goal of providing an analytical framework to fellow government enforcers and supervisory agencies and to the market for how to identify violative acts or practices.
04/27/2023	Interagency Policy Statement on Allowances for Credit Losses (Revised April 2023) (OCC, Treasury, Federal Reserve, FDIC, NCUA)	88 FR 25479	The revision removes references to Troubled Debt Restructurings (TDRs). The Policy Statement describes the measurement of expected credit losses in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 326 and includes processes for the design, documentation, and validation of expected credit losses. The Policy Statement also addresses internal controls over these processes, the maintenance of appropriate allowances for credit losses, the responsibilities of boards of directors and management, as well as examiner reviews of allowances for credit losses.

PROPOSED REGULATIONS

Comments Due	Rule (Agency)	Citation	Summary

RESOURCES/GUIDANCE

Guidance	Summary
Joint Statement on Enforcement Efforts Against Discrimination and Bias in Automated Systems (CFPB, DOJ, EEOC, FTC)	The agencies published a Joint Statement on the enforcement efforts against discrimination and bias in automated systems. The Statement says that while automated systems rely on vast amounts of data to find patterns or correlations, they may also have the potential to produce outcomes that result in unlawful discrimination.
Joint Statement on Completing the LIBOR Transition	The agencies expect institutions to have taken all necessary steps to prepare for an orderly transition away from LIBOR by June 30, 2023. Examiners will continue monitoring efforts through 2023 to ensure that institutions have moved their contracts away from LIBOR in a safe and sound manner and in compliance with applicable legal requirements.

(FRS, FDIC, OCC, NCUA, CFPB)	
Fair Debt Collection Practices Act (Regulation F); Time-Barred Debt (CFPB)	The CFPB issued an Advisory Opinion, Fair Debt Collection Practices Act (Regulation F); Time-Barred Debt, which clarifies that a covered debt collector who brings or threatens to bring a state court foreclosure action to collect a time-barred mortgage debt may violate the Fair Debt Collection Practices Act and its implementing regulation. The CFPB says that the advisory opinion was issued in light of a series of actions by debt collectors attempting to foreclose on silent second mortgages, also known as zombie mortgages, that consumers thought were satisfied long ago and that may be unenforceable in court.
Supervisory Guidance on Charging Overdraft Fees for Authorize Positive, Settle Negative Transactions (FDIC)	The FDIC issued Supervisory Guidance (FIL-19-2023) to ensure that institutions are aware of the consumer compliance risks associated with assessing overdraft fees on a transaction that was authorized against a positive balance but settled against a negative balance (APSN). The guidance expands on an FDIC 2019 Supervisory Highlights article titled "Overdraft Programs: Debit Card Holds and Transaction Processing" by discussing the FDIC's concerns with both the available and ledger balance methods used by institutions when assessing overdraft fees.
Review of the Federal Reserve's Supervision and Regulation of Silicon Valley Bank (Federal Reserve)	The Federal Reserve released its review of the failure of Silicon Valley Bank. The four key takeaways are: 1. Silicon Valley Bank's board of directors and management failed to manage their risks. 2. Supervisors did not fully appreciate the extent of the vulnerabilities as Silicon Valley Bank grew in size and complexity. 3. When supervisors did identify vulnerabilities, they did not take sufficient steps to ensure that Silicon Valley Bank fixed those problems quickly enough. 4. The Board's tailoring approach in response to the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) and a shift in the stance of supervisory policy impeded effective supervision by reducing standards, increasing complexity, and promoting a less assertive supervisory approach.
Consumer Compliance Supervisory Highlights (FDIC)	The FDIC released its latest Consumer Compliance Supervisory Highlights. This edition includes supervisory observations related to consumer protection laws, examples of practices that may be useful in mitigating risks, regulatory developments, and consumer compliance resources. The issue includes good information on RESPA referral arrangements, trigger leads under the FCRA, and applying excess interest payments on SCRA covered loans. It is a recommended read for all institutions.
Methodology for Determining Average Prime Offer Rates (CFPB)	The CFPB announced a revised version of its "Methodology for Determining Average Prime Offer Rates." The revised methodology describes the calculations used to determine average prime offer rates (APOR) for purposes of federal mortgage rules. APORs are annual percentage rates derived from average interest rates, points, and other loan pricing terms currently offered to consumers by a representative sample of creditors for mortgage loans that have low-risk pricing characteristics. The methodology statement has been revised to address the upcoming unavailability of certain data the CFPB previously relied on to calculate APORs. On or after April 21, 2023, the CFPB will begin using ICE Mortgage Technology data and the CFPB's revised methodology to calculate APORs.

2023 Guide to HMDA Reporting - Getting it Right (FFIEC)	The FFIEC's 2023 Guide to HMDA Reporting - Getting it Right, is now available. The 2023 guide focuses on HMDA data submissions due March 1, 2024, and offers the most official source for assisting institutions in their HMDA reporting. The 2023 guide reflects a technical amendment to the 2020 HMDA rule to adjust the loan volume thresholds effective January 1, 2023, for reporting HMDA data on closed-end mortgage loans.
Business Email Compromise (FinCEN)	FinCEN issued a Financial Trend Analysis which provides threat pattern and trend information on Business Email Compromise (BEC) incidents in the real estate sector, based on Bank Secrecy Act (BSA) data filed with the Financial Crimes Enforcement Network (FinCEN) between January 2020 and December 2021. The Analysis states that the perpetrators of these attacks typically aim to defraud individuals and entities in connection with real estate transactions; their techniques include obtaining unauthorized access to networks and systems to misappropriate confidential and proprietary information. Individual homebuyers suffer disproportionately from these incidents. The sector remains a target for BEC attacks exploiting the high monetary values generally associated with real estate transactions and the various communications between entities involved in the real estate closing process.
Winter/Spring 2023 Consumer Services Newsletter (WA DFI)	Washington's Department of Financial Institutions published its Winter/Spring 2023 Consumer Services Newsletter. Topics included in this issue are common exam findings, preparing for an examination, information on data security breaches impacting Washington residents, and a message from the Consumer Services Directory.
Supervision of Signature Bank (FDIC)	The FDIC released its Supervision of Signature Bank report on the bank's failure. The report states that "the root cause of SBNY's failure was poor management. SBNY's board of directors and management pursued rapid, unrestrained growth without developing and maintaining adequate risk management practices and controls appropriate for the size, complexity and risk profile of the institution. SBNY management did not prioritize good corporate governance practices, did not always heed FDIC examiner concerns, and was not always responsive or timely in addressing FDIC supervisory recommendations (SRs). SBNY funded its rapid growth through an overreliance on uninsured deposits without implementing fundamental liquidity risk management practices and controls. Additionally, SBNY failed to understand the risk of its association with and reliance on crypto industry deposits or its vulnerability to contagion from crypto industry turmoil that occurred in late 2022 and into 2023."