

FINAL REGULATIONS/RULES

Effective Date	Rule (Agency)	Citation	Summary

PROPOSED REGULATIONS

Comments Due	Rule (Agency)	Citation	Summary
08/21/2023	CFPB, OCC, Federal Reserve, NCUA, FDIC, & FHFA	88 FR 40636	The agencies are asking for comments on a proposed rule to implement quality control standards for the use of automated valuation models (AVMs) by mortgage originators and secondary market issuers in determining the collateral worth of a mortgage secured by a consumer's principal dwelling. Under the proposal, the agencies would require institutions that engage in certain credit decisions or securitization determinations to adopt policies, practices, procedures, and control systems to ensure that AVMs used in these transactions to determine the value of mortgage collateral adhere to quality control standards designed to ensure a high level of confidence in the estimates produced by AVMs; protect against the manipulation of data; seek to avoid conflicts of interest; require random sample testing and reviews; and comply with applicable nondiscrimination laws.

RESOURCES/GUIDANCE

Guidance	Summary
Interagency Guidance on Third-Party Relationships: Risk Management (Fed Res, FDIC, OCC)	The agencies issued joint guidance for financial institutions when managing risks associated with third-party relationships, including relationships with technology providers. The guidance describes principles and considerations for banking organizations' risk management of third-party relationships. It covers risk management practices for the stages in the life cycle of third-party relationships: planning, due diligence and third-party selection, contract negotiation, ongoing monitoring, and termination.
OFAC to retire its FTP server (OFAC)	OFAC announced that it will retire its public-facing file transfer protocol (FTP) server on or about June 10, 2024 in order to comply with updated Treasury security policies. OFAC will continue to provide access to OFAC's list through other methods.
Interagency Guidance on Reconsiderations of Value of Residential Real Estate	The agencies released proposed guidance and requested public comment on reconsiderations of value (ROV) for residential real estate valuations. The proposed guidance advises on policies 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

<p>Valuations (CFPB, FDIC, Fed Res, NCUA, OCC)</p>	<p>appraiser or other preparer of a valuation report to reassess the value of residential real estate. An ROV may be warranted if a consumer provides information to a financial institution about potential deficiencies or other information that may affect the estimated value.</p>
<p>Supervisory Guidance on Multiple Re-Presentment NSF Fees (FDIC)</p>	<p>The FDIC has revised its Supervisory Guidance on Multiple Re-Presentment Fees. The FDIC will look to remediation “when appropriate” after considering “the likelihood of substantial consumer harm” and the challenges with getting information about the frequency and timing of fees. In the Guidance, footnote #4 now states <i>“(t)he FDIC has generally accepted a two-year lookback period for restitution in instances where institutions have been unable to reasonably access accurate ACH data for re-presented transactions. In addition, based on the on-going and extensive challenges observed in accurately identifying re-presented transactions through core processing systems, the FDIC does not intend to request an institution to conduct a lookback review absent a likelihood of substantial consumer harm.”</i></p>
<p>HMDA Data (FFIEC)</p>	<p>The FFIEC announced the availability of data on 2022 mortgage lending transactions reported under the Home Mortgage Disclosure Act by 4,460 U.S. financial institutions, including banks, savings associations, credit unions, and mortgage companies. The HMDA data is the most comprehensive publicly available information on mortgage market activity. The data is used by industry, consumer groups, regulators, and others to assess potential fair lending risks and for other regulatory and informational purposes. The data helps the public assess how financial institutions are serving the housing needs of their local communities and facilitate federal financial regulators’ fair lending, consumer compliance, and Community Reinvestment Act examinations.</p>
<p>Final Policy Statement on Prudent Commercial Real Estate Loan Accommodations and Workouts (Treasury, Fed Res, FDIC, OCC, NCUA)</p>	<p>The agencies released a Final Policy Statement on Prudent Commercial Real Estate Loan Accommodations and Workouts. This updated policy statement builds on existing supervisory guidance calling for financial institutions to work prudently and constructively with creditworthy borrowers during times of financial stress, updates existing interagency supervisory guidance on commercial real estate loan workouts and adds a section on short-term loan accommodations. The updated statement also addresses relevant accounting standard changes on estimating loan losses and provides updated examples of classifying and accounting for loans modified or affected by loan accommodations or loan workout activity.</p>
<p>Small business lending rule FAQs (CFPB)</p>	<p>The CFPB has published a list of frequently asked questions about compliance with its recently finalized Section 1071 small business lending rule. The questions cover topics such as which institutions are covered by the rule and what transactions they must count when determining whether they satisfy the origination threshold.</p>