

Overview of Selected Regulations and Other Items of Interest

This section provides an overview of recently released regulations and other items of interest, arranged in reverse chronological order. Press Release (PR) and Financial Institution Letter (FIL) designations are included so the reader can obtain more information.

A longer version of the Roundup that includes entries following the publication of the Fall 2019 issue of *Supervisory Insights* through year-end 2021 is available upon request.

ACRONYMS and DEFINITIONS

CFPB	Consumer Financial Protection Bureau
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
FinCEN	U.S. Department of the Treasury's Financial Crimes Enforcement Network
FRB	Federal Reserve Board
NCUA	National Credit Union Administration
OCC	Office of the Comptroller of the Currency
Federal bank regulatory agencies	FDIC, FRB, and OCC
Federal financial institution regulatory agencies	CFPB, FDIC, FRB, NCUA, and OCC

Roundup

Subject	Summary
FDIC Board of Directors Amends Restoration Plan and Issues a Proposed Rule on Assessments, Revised Deposit Insurance Assessment Rates (FIL-26-2022, PR-49-2022, June 21, 2022)	<p>The FDIC Board of Directors issued a notice of proposed rulemaking to increase deposit insurance assessment rates by 2 basis points for all insured depository institutions in order to increase the likelihood that the reserve ratio of the Deposit Insurance Fund (DIF) reaches the statutory minimum of 1.35 percent by the statutory deadline of September 2028. The Board also adopted an Amended Restoration Plan, which incorporates the increase in assessment rates.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22026.html</p>
FDIC-Insured Institutions Reported Net Income of \$59.7 Billion in First Quarter 2022 (PR-45-2022, May 24, 2022)	<p>FDIC-insured institutions reported aggregate net income of \$59.7 billion in first quarter 2022, a decline of \$17.0 billion, or 22.2 percent, from a year ago. An increase in provision expense drove the annual reduction in net income. These and other financial results are included in the <i>Quarterly Banking Profile</i> for first quarter 2022.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22045.html</p>

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<p>FDIC Publishes 2022 Risk Review (PR-44-2022, May 20, 2022)</p>	<p>The FDIC published its 2022 Risk Review, a comprehensive summary of emerging risks in the U.S. banking system as observed in 2021. The 2022 Risk Review expands coverage of risks from prior reports by examining operational risk to banks from cyber threats and illicit activity, and climate-related financial risks faced by banking organizations.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22044.html</p>
<p>Small Entity Compliance Guide related to Simplification of Deposit Insurance Rules for Trust and Mortgage Service Accounts (FIL-23-2022, May 18, 2022)</p>	<p>On January 28, 2022, the Federal Deposit Insurance Corporation (FDIC) published a final rule to amend the deposit insurance regulations for trust accounts and mortgage servicing accounts. The FDIC added a Small Entity Compliance Guide to its website to assist insured depository institutions and community banking organizations in understanding and preparing for the changes in deposit insurance coverage.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22023.html</p>
<p>Amendments to Guidelines for Appeals of Material Supervisory Determinations (FIL-22-2022, May 17, 2022)</p>	<p>The FDIC adopted <i>Guidelines for Appeals of Material Supervisory Determinations</i> that restore the Supervision Appeals Review Committee (SARC) as the final level of review in the agency's supervisory appeals process. Consistent with the composition of the SARC as it stood in 2021, the SARC will include one inside member of the FDIC's Board of Directors (serving as Chairperson); a deputy or special assistant to each of the other inside Board members; and the General Counsel as a non-voting member.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22022.html</p>
<p>FDIC Issues Final Rule Regarding False Advertising, Misrepresentations About Insured Status, and Misuse of the FDIC's Name or Logo (FIL-21-2022, PR-41-2022, May 17, 2022)</p>	<p>The FDIC approved a final rule implementing its statutory authority to prohibit any person or organization from making misrepresentations about FDIC deposit insurance or misusing the FDIC's name or logo. In recent years, the FDIC has observed an increasing number of instances where individuals or entities have misused the FDIC's name or logo, or have made false or misleading representations about deposit insurance. To provide transparency into how the FDIC will address these and similar concerns, the final rule clarifies the FDIC's procedures for identifying, investigating, and where necessary, taking formal and informal enforcement actions against individuals or entities to address violations.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22021.html</p>
<p>Agencies Release Revised Interagency Questions and Answers Regarding Flood Insurance (FIL-20-2022, PR-40-2022, May 11, 2022)</p>	<p>The federal financial institution regulatory agencies jointly issued revised questions and answers (Q&As) regarding federal flood insurance law and the agencies' implementing regulations. These Q&As replace those originally published by the agencies in 2009 and 2011 and consolidate Q&As proposed by the agencies in 2020 and 2021. The revised Q&As reflect significant changes to the flood insurance requirements made by federal law in recent years.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22020.html</p>

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<p>Agencies Issue Joint Proposal to Strengthen and Modernize Community Reinvestment Act Regulations (FIL-18-2022, PR-39-2022, May 5, 2022)</p>	<p>Federal bank regulatory agencies jointly issued a proposal to strengthen and modernize regulations implementing the <i>Community Reinvestment Act</i> (CRA) to better achieve the purposes of the law. The joint proposal recommends adjusting the CRA to expand access to credit, investment, and basic banking services in low- and moderate-income communities. It also proposes to adapt to changes in the banking industry and provide greater clarity, consistency, and transparency.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22018.html</p>
<p>FDIC Names Seven New Members to Advisory Committee on Community Banking (PR-35-2022, April 27, 2022)</p>	<p>The FDIC announced seven new members of the agency’s Advisory Committee on Community Banking. The FDIC’s Advisory Committee shares input on a broad range of community bank policy and regulatory matters.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22035.html</p>
<p>Principals of U.S., European Banking Union, and U.K. Financial Authorities Meet for Regular Coordination Exercise on Cross-Border Resolution Planning (PR-33-2022, April 19, 2022)</p>	<p>The heads of resolution, regulatory and supervisory authorities, central banks, and finance ministries of the United States, the United Kingdom, and the European Banking Union were among leaders who participated in a Trilateral Principal Level Exercise on Saturday, April 23, 2022. The meeting was part of a series of regular exercises and exchanges among the principals of these key financial sector authorities to enhance understanding of each jurisdiction’s resolution regime for global systemically important banks and strengthen coordination on cross-border resolution.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22033.html</p>
<p>Consolidated Reports of Condition and Income for First Quarter 2022 (FIL-17-2022, April 14, 2022)</p>	<p>The federal bank regulatory agencies released materials pertaining to the Consolidated Reports of Condition and Income (Call Report) for the March 31, 2022, report date. For institutions that have adopted Accounting Standards Update (ASU 2022-02), “Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures,” a new topic, “Accounting for Loan Modifications to Borrowers Experiencing Financial Difficulties,” has been added to the attached March 2022 Supplemental Instructions.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22017.html</p>
<p>Agencies Propose to Update and Modernize the Uniform Rules of Practice and Procedure for Formal Administrative Enforcement Proceedings (PR-32-2022, April 13, 2022)</p>	<p>The FDIC invited comment on an interagency proposal to update the rules governing formal administrative proceedings for insured depository institutions. The proposed updates would modernize these rules, aligning them with current practices and facilitating the use of electronic communications and technology in formal administrative proceedings.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22032.html</p>

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<p>James Madison University College of Business Wins FDIC’s 2nd Annual Academic Challenge (PR-31-2022, April 11, 2022)</p>	<p>The FDIC announced a four-member team of undergraduate students from James Madison University College of Business won the agency’s Second Annual FDIC Academic Challenge, a competition among university and college students concerning the U.S. banking sector.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22031.html</p>
<p>Notification of Engaging in Crypto-Related Activities (FIL-16-2022, April 7, 2022)</p>	<p>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. FDIC-supervised institutions are requested to provide information described in this letter. The FDIC will review the information and provide relevant supervisory feedback.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22016.html</p>
<p>Request for Comment on Statement of Principles for Climate-Related Financial Risk Management for Large Financial Institutions (FIL-13-2022, PR-27-2022, March 30, 2022)</p>	<p>The FDIC requested comments on draft principles that would provide a high-level framework for the safe and sound management of exposures to climate-related financial risks. The draft principles are intended to support efforts by large financial institutions to focus on key aspects of climate-related financial risk management.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22013.html</p>
<p>Computer-Security Incident Notification Implementation (FIL-12-2022, March 29, 2022)</p>	<p>The federal bank regulatory agencies issued a joint final rule to establish computer-security incident notification requirements (Final Rule) for banking organizations and their bank service providers. Banks and their service providers must comply with the Final Rule starting May 1, 2022.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22012.html</p>
<p>FDIC Request for Information on Bank Merger Act (FIL-11-2022, PR-26-2022, March 25, 2022)</p>	<p>The FDIC sent for publication in the <i>Federal Register</i> a Request for Information seeking information and comments regarding the application of the laws, practices, rules, regulations, guidance, and statements of policy that apply to merger transactions involving one or more insured depository institution, including the merger between an insured depository institution and a noninsured institution.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22011.html</p>
<p>Acting Chairman Gruenberg Issues Statement on the Property Appraisal and Valuation (PAVE) Task Force Report (PR-24-2022, March 25, 2022)</p>	<p>FDIC Acting Chairman Martin J. Gruenberg issued a statement regarding the release of the Action Plan to Advance Property Appraisal and Valuation Equity (PAVE). Acting Chairman Gruenberg stated the PAVE Task Force is the first-ever federal government effort to explore and focus attention on discrimination in the mortgage market and appraisal bias that negatively impacts wealth building opportunities for minority homeowners and communities. He also outlined the number of commitments FDIC has made as a member of the Task Force.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22024.html</p>

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Rescission of Statement on Part 363 Annual Reports in Response to the Coronavirus (FIL-10-2022, March 15, 2022)	<p>On March 27, 2020, the FDIC issued FIL-30-2020, <i>Statement on Part 363 Annual Reports in Response to the Coronavirus</i>, which provided an additional 45 days for insured depository institutions (IDIs) subject to Part 363 of the FDIC's regulations to file Part 363 Annual Reports and Other Reports and Notices.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22010.html</p>
FDIC-Insured Institutions Reported Net Income of \$63.9 Billion in Fourth Quarter 2021 (PR-22-2022, March 1, 2022)	<p>FDIC-insured institutions reported aggregate net income of \$63.9 billion in fourth quarter 2021, an increase of 7.4 percent over one year ago. The increase was driven by further economic growth and improved credit conditions, which led to expanded net interest income and a fourth consecutive quarter of aggregate negative provision expense. These and other financial results for fourth quarter and full-year 2021 are included in the <i>Quarterly Banking Profile</i> for fourth quarter 2021.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22022.html</p>
2021 Financial Institution Diversity Self-Assessments: Voluntary Self-Assessments Accepted Now through June 30, 2022 (FIL-9-2022, February 28, 2022)	<p>The FDIC's Office of Minority and Women Inclusion encourage FDIC-supervised financial institutions with 100 or more employees to submit voluntary self-assessments of their diversity practices and policies. Submitted information will be treated as confidential information.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22009.html</p>
Interagency Statement on Special Purpose Credit Programs Under the Equal Credit Opportunity Act and Regulation B (FIL-8-2022, February 22, 2022)	<p>The federal bank regulatory agencies, along with the Department of Housing and Urban Development, the Department of Justice, and the Federal Housing Finance Agency, issued an interagency statement to remind creditors of the ability under the Equal Credit Opportunity Act and Regulation B to establish special purpose credit programs to meet the credit needs of specified classes of persons.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22008.html</p>
FDIC Releases Economic Scenarios for 2022 Stress Testing (PR-19-2022, February 15, 2022)	<p>The FDIC released the hypothetical economic scenarios for use in the upcoming stress tests for covered institutions with total consolidated assets of more than \$250 billion. The supervisory scenarios include baseline and severely adverse scenarios.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22019.html</p>
Joint Readout of Principals' Meeting of UK and U.S. Authorities Regarding Central Counterparty Resolution (PR-16-2022, February 8, 2022)	<p>Senior officials from the Bank of England, FDIC, Commodity Futures Trading Commission, SEC, and the Federal Reserve Board convened a virtual meeting to discuss certain issues relating to the resolution of a central counterparty (CCP). The meeting was an opportunity to review recent joint work undertaken by the agencies, in particular the development of detailed operational planning to support prototype resolution strategies for U.S. and UK CCPs.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22016.html</p>

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<p>Acting Chairman Martin J. Gruenberg Announces FDIC Priorities for 2022 (PR-15-2022, February 7, 2022)</p>	<p>FDIC Acting Chairman Gruenberg released a summary of the FDIC’s priorities for the coming year. The key priorities include the Community Reinvestment Act, climate change, the Bank Merger Act, crypto-assets, and the Basel III capital rule.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22015.html</p>
<p>FDIC Expands #GetBanked Campaign in Los Angeles, Dallas, and Detroit (PR-11-2022, February 2, 2022)</p>	<p>The FDIC announced it will expand its #GetBanked public awareness campaign into the Los Angeles, Dallas, and Detroit metropolitan areas.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22011.html</p>
<p>FDIC and FinCEN Open Registration for Digital Identify Tech Sprint (PR-9-2022, February 1, 2022)</p>	<p>The FDIC and FinCEN opened the registration period for interested parties to participate in a Tech Sprint to help measure the effectiveness of digital identity proofing.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22009.html</p>
<p>FDIC Names Three New Members to Its Systemic Resolution Advisory Committee (PR-8-2022, January 28, 2022)</p>	<p>The FDIC named three new members to its Systemic Resolution Advisory Committee. The three individuals were all invited to join the Committee in December, 2021.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22008.html</p>
<p>FDIC Announces Collaboration with Operation HOPE, Inc. to Expand Financial Education and Minority/Women-Owned Business Opportunities (PR-5-2022, January 24, 2022)</p>	<p>The FDIC announced a collaboration with Operation HOPE, Inc., to promote financial education using the FDIC’s Money Smart curriculum and other resources to help educate minority- and/or women-owned businesses on how to do business with the agency.</p> <p>See https://www.fdic.gov/news/press-releases/2022/pr22005.html</p>
<p>Final Rulemaking on Simplification of Deposit Insurance Rules for Trust and Mortgage Servicing Accounts (FIL-7-2022, PR-4-2022, January 21, 2022)</p>	<p>The FDIC published a final rule to amend the deposit insurance regulations for trust accounts and mortgage servicing accounts. The changes are intended to make the deposit insurance rules easier to understand for depositors and bankers, facilitate more timely insurance determinations for trust accounts in the event of bank failure, and enhance consistency of insurance coverage for mortgage servicing account deposits. The final rule will take effect on April 1, 2024.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22007.html</p>
<p>FDIC and FinCEN Launch Digital Identity Tech Sprint (FIL-4-2022, PR-3-2022, January 11, 2022)</p>	<p>The FDIC and FinCEN announced a Tech Sprint to develop solutions for financial institutions and regulators to help measure the effectiveness of digital identity proofing – the process used to collect, validate, and verify information about a person.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22004.html</p>

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<p>Consolidated Reports of Condition and Income for Fourth Quarter 2021 (FIL-3-2022, January 7, 2022)</p>	<p>The federal bank regulatory agencies released materials pertaining to the Consolidated Reports of Condition and Income (Call Report) for the December 31, 2021, report date. The new Call Report data item on Schedule RC-R related to the Standard Approach for Counterparty Credit Risk is effective as of this report date for all three versions of the Call Report.</p> <p>See https://www.fdic.gov/news/financial-institution-letters/2022/fil22003.html</p>