



# Supervisory Update News Summary

AS OF JULY 15, 2024

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
CFPB Extends Compliance Dates for Small Business Lending Rule	<a href="#">Press Release</a> June 25, 2024	The CFPB issued an <a href="#">interim final rule</a> to extend compliance deadlines for the small business lending rule. After the CFPB issued the small business lending rule on March 30, 2023, a federal court in Texas stayed the rule pending the Supreme Court's decision in CFPB v. CFSA. The Texas court also required the CFPB to extend the rule's compliance deadlines to compensate for the period stayed. Today's interim final rule follows the recent Supreme Court decision in CFPB v. CFSA.	CFPB
CFPB Proposes Rules to Help Homeowners Avoid Foreclosure	<a href="#">Press Release</a> July 10, 2024	The CFPB proposed new rules to make it easier for homeowners to get help when they are struggling to pay their mortgage. The proposal, if finalized, would require mortgage servicers to focus on helping borrowers, not foreclosing, when a homeowner asks for help. The proposed changes would also make it simpler for servicers to offer assistance by reducing paperwork requirements, improve communication with borrowers, and ensure critical information is provided in languages borrowers understand. The CFPB is requesting comment about several other topics, including possible approaches it could take to ensure servicers are furnishing accurate and consistent credit reporting information for borrowers undergoing review for assistance. Read the proposed rule <a href="#">here</a> .	CFPB

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TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Final Rulemaking on Resolution Plans Required for Insured Depository Institutions with \$100 Billion or More in Total Assets	<a href="#">FIL-34-2024</a> June 20, 2024	<p>The FDIC issued a final rule revising <a href="#">Section 360.10</a> of the FDIC's regulations and requiring the submission of resolution plans or informational filings by covered insured depository institutions (CIDIs). The final rule strengthens existing requirements by requiring those CIDIs with \$100 billion or more in total assets (group A CIDIs) to submit full resolution plans containing an identified strategy appropriate to the CIDI for its orderly and efficient resolution, as well as other information described in the final rule.</p> <p>The final rule also requires CIDIs with at least \$50 billion but less than \$100 billion in total assets (group B CIDIs) to provide more limited resolution submissions in the form of an informational filing. The informational filing does not include all of the requirements applicable to the resolution plans submitted by group A CIDIs. Among other things, it does not require development of an identified strategy for resolution nor the demonstration of capabilities necessary to produce valuations related to the FDIC's least-cost determinations.</p>	FDIC
FDIC Makes Public May Enforcement Actions	<a href="#">PR-52-2024</a> June 28, 2024	The FDIC released a list of orders of administrative enforcement actions taken against banks and individuals in May 2024. There are no administrative hearings scheduled for July 2024. The FDIC issued 15 orders in May 2024. Orders, adjudicated decisions and notices, and the administrative hearing details can be reviewed <a href="#">here</a> .	FDIC
Consolidated Reports of Condition and Income for Second Quarter 2024	<a href="#">FIL-39-2024</a> July 11, 2024	The <a href="#">attached materials</a> pertain to the Consolidated Reports of Condition and Income (Call Report) for the June 30, 2024, report date and provide guidance on certain reporting issues. This Financial Institution Letter and the attached Supplemental Instructions should be shared with the individual(s) responsible for preparing the Call Report at your institution. Please plan to complete as early as possible the preparation, editing, and review of your institution's Call Report data and the submission of these data to the agencies' Central Data Repository (CDR). Starting your preparation early will help you identify and resolve any edit exceptions before the submission deadline. If you later find that certain information needs to be revised, please make the appropriate changes to your Call Report data and promptly submit the revised data file to the CDR.	FDIC

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TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Agencies Release List of Distressed or Underserved Nonmetropolitan Middle-Income Geographies	<a href="#">PR-55-2024</a> July 12, 2024	Federal bank regulatory agencies today released the <a href="#">2024 list of distressed or underserved nonmetropolitan middle-income geographies</a> where certain bank activities are eligible for Community Reinvestment Act (CRA) credit. The designations reflect local economic conditions, including unemployment, poverty, and population changes.	FDIC
Dorado Appointed to FFIEC State Liaison Committee	<a href="#">Press Release</a> June 24, 2024	The FFIEC announced the appointment of Raymond J. Dorado to the FFIEC’s State Liaison Committee (SLC). Dorado was designated by the National Association of State Credit Union Supervisors (NASCUS) to complete the remainder of the two-year term left vacant by the early departure of Deputy Superintendent of the Community and Regional Banks Unit Yolanda Ford. Dorado’s partial term on the SLC will expire on March 31, 2025.	FFIEC
FinCEN Issues Supplemental Alert on Israeli Extremist Violence in the West Bank	<a href="#">FIN-2024-Alert002</a> July 11, 2024	FinCEN issued a <a href="#">supplemental alert</a> related to the financing of Israeli extremist settler violence against Palestinians in the West Bank. The supplemental alert builds upon FinCEN’s <a href="#">previous alert</a> issued February 1, 2024, and provides additional red flags to assist U.S. financial institutions in identifying and reporting suspicious activity that finances West Bank violence. Financial institutions with questions about the content of today’s supplemental alert should contact the FinCEN Regulatory Support Section at <a href="mailto:frc@fincen.gov">frc@fincen.gov</a> . The full alert is available online at <a href="#">FIN-2024-Alert002</a> .	FinCEN
Supplemental Advisory on the Procurement of Precursor Chemicals and Manufacturing Equipment Used for the Synthesis of Illicit Fentanyl and Other Synthetic Opioids	<a href="#">FIN-2024-A002</a> June 20, 2024	FinCEN has issued an <a href="#">advisory</a> to alert U.S. financial institutions to new trends in the illicit fentanyl supply chain and urge vigilance in identifying and reporting suspicious activity associated with Mexico-based transnational criminal organizations and their illicit procurement of fentanyl precursor chemicals and manufacturing equipment from People’s Republic of China-based suppliers. The supplemental advisory builds off FinCEN’s <a href="#">2019 advisory</a> with new typologies and red flags to identify and report suspicious transactions, and fulfills the requirement in Section 3202 of the recently enacted FEND Off Fentanyl Act. Financial institutions with questions about the content of today’s supplemental advisory should contact the FinCEN Regulatory Support Section at <a href="mailto:frc@fincen.gov">frc@fincen.gov</a> .	FinCEN

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TITLE	TYPE/DATE	DESCRIPTION	SOURCE
FinCEN Finalizes Financial Measure Against Iraq-based Al-Huda Bank to Combat Terrorist Financing	<a href="#">News Release</a> June 26, 2024	FinCEN issued a final rule under section 311 of the USA PATRIOT Act (section 311) that severs Al-Huda Bank from the United States financial system by prohibiting domestic financial institutions and agencies from opening or maintaining a correspondent account for or on behalf of Al-Huda Bank, an Iraqi bank that serves as a conduit for terrorist financing. The final rule, as submitted to the Federal Register, is available <a href="#">here</a> .	FinCEN
FinCEN Issues Proposed Rule to Strengthen and Modernize Financial Institutions' AML/CFT Programs	<a href="#">News Release</a> June 28, 2024	FinCEN announced a <a href="#">proposed rule</a> to strengthen and modernize financial institutions' anti-money laundering and countering the financing of terrorism (AML/CFT) programs. While financial institutions have long maintained AML/CFT programs under existing regulations, this proposed rule would amend those regulations to explicitly require that such programs be effective, risk-based, and reasonably designed, enabling financial institutions to focus their resources and attention in a manner consistent with their risk profiles. Effective, risk-based, and reasonably designed AML/CFT programs are critical for protecting national security and the integrity of the U.S. financial system. The proposed amendments are based on changes to the Bank Secrecy Act (BSA) as enacted by the Anti-Money Laundering Act of 2020 (AML Act) and are a key component of Treasury's objective of building a more effective and risk-based AML/CFT regulatory and supervisory regime. The fact sheet on the proposed rule can be viewed <a href="#">here</a> . Written comments on FinCEN's proposed rule must be received on or before 60 days following its publication in the Federal Register.	FinCEN

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TITLE	TYPE/DATE	DESCRIPTION	SOURCE
<p>Financial Action Task Force Identifies Jurisdictions with Anti-Money Laundering, Combating the Financing of Terrorism, and Counter-Proliferation Finance Deficiencies</p>	<p><a href="#">News Release</a> July 3, 2024</p>	<p>FinCEN is informing U.S. financial institutions that the Financial Action Task Force (FATF), an intergovernmental body that establishes international standards for anti-money laundering, countering the financing of terrorism, and countering the financing of proliferation of weapons of mass destruction (AML/CFT/CPF), issued a public statement at the conclusion of its plenary meeting last month highlighting the growing financial connectivity of the Democratic People’s Republic of Korea (DPRK) with the international financial system, and reiterating the FATF’s concerns over the DPRK’s continued failure to address the significant deficiencies in its AML/CFT regime and the serious threats posed by the DPRK’s illicit activities related to the proliferation and financing of weapons of mass destruction. In order to protect the international financial system, the FATF continues to urge all jurisdictions to remain vigilant to these risks and calls for renewed implementation and enforcement of countermeasures against the DPRK.</p> <p>The FATF also updated its lists of jurisdictions with strategic AML/CFT/CPF deficiencies, which can be reviewed <a href="#">here</a>. U.S. financial institutions should consider the FATF’s stance toward these jurisdictions when reviewing their obligations and risk-based policies, procedures, and practices.</p>	<p>FinCEN</p>
<p>Federal Reserve Board Announces It Will Extend Until September 6, 2024, The Comment Period On Proposal To Expand Operating Days Of The Federal Reserve Banks’ Two Large-Value Payments Services, Fedwire Funds Service And The National Settlement Service</p>	<p><a href="#">Press Release</a> June 21, 2024</p>	<p>The Federal Reserve Board on Friday announced that it will extend until September 6, 2024, the comment period on its proposal to expand the operating days of the Federal Reserve Banks' two large-value payments services, Fedwire® Funds Service and the National Settlement Service (NSS), to include weekends and holidays. The Board extended the comment period to allow the public more time to analyze the proposal and prepare their comments. Comments on the proposal were originally due by July 8, 2024.</p>	<p>FRB</p>

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TITLE	TYPE/DATE	DESCRIPTION	SOURCE
OCC Report Highlights Key Risks in Federal Banking System	<a href="#">News Release 2024-64</a> June 18, 2024	The OCC reported the key issues facing the federal banking system in its Semiannual Risk Perspective for Spring 2024. The OCC reported that the overall condition of the federal banking system remains sound. However, the maturing economic cycle may cause consumer headwinds. It is important for banks to continue identifying material risks and their interconnected impacts. Continuous risk management improvement remains appropriate as this allows banks to guard against complacency. The OCC Semiannual Risk Perspective for Spring 2024 report can be viewed <a href="#">here</a> .	OCC
OCC Approves Final Rule on Automated Valuation Models	<a href="#">News Release 2024-66</a> June 20, 2024	The OCC approved a <a href="#">final rule</a> to implement quality control standards for automated valuation models used by mortgage originators and secondary market issuers in valuing residential real estate collateral securing mortgage loans.	OCC
Emergency Closing of Offices	<a href="#">Industry Notice 2024-05</a> July 5, 2024	On May 1, 2024, the Department sent an email reminding you to assess your financial institution’s level of preparedness before the next crisis strikes. With the potential of Hurricane Beryl making landfall on the Texas coast, we encourage banks to review their emergency protocols. Be mindful that Texas Finance Code §37.002 permits the closing of an office or operation by an officer of a bank during the emergency, regardless of whether the banking commissioner has issued a proclamation of emergency.	TDOB
Governor Abbott Issues Severe Weather Disaster Declaration For Tropical Storm Alberto	<a href="#">Proclamation</a> June 19, 2024	Governor Greg Abbott issued a proclamation certifying that Tropical Storm Alberto poses a threat of imminent disaster, including widespread and severe property damage, injury, and loss of life due to widespread flooding, life-threatening storm surge, damaging wind, and heavy rainfall and declaring a disaster in a number of Texas counties.	TXGOV

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Governor Abbott Further Amends Severe Weather Disaster Proclamation in June 2024	<a href="#">Proclamation</a> June 28, 2024	Governor Greg Abbott issued a disaster proclamation on Tuesday, April 30, 2024, certifying that the severe storms and flooding that began on April 26, 2024, and included heavy rainfall, flash flooding, river flooding, large hail, and hazardous wind gusts caused widespread and severe property damage, injury, or loss of life. This proclamation was amended to declare a disaster in the additional counties of Cochran, Coke, Morris, Rains, Sterling, and Wharton.	TXGOV
Governor Abbott Announces 67 Counties Approved For Major Disaster Declaration	<a href="#">Press Release</a> July 10, 2024	Governor Greg Abbott announced today that 67 Texas counties have been approved for federal disaster assistance as part of a Major Disaster Declaration approved by the President following impacts to the state from Hurricane Beryl. More information about the federal resources available for Texans as a result of Hurricane Beryl can be found <a href="#">here</a> .	TXGOV

## INDUSTRY PUBLICATIONS

SOURCE	PUBLICATION
FFIEC	<a href="#">2023 Data on Mortgage Lending</a> (July 11, 2024)
FFIEC	<a href="#">FFIEC Median Family Income Report</a> (July 25, 2024)
FRB	Minutes of the <a href="#">Board's discount rate meetings</a> and <a href="#">Federal Open Market Committee</a> (June 2024)
Dallas Fed	<a href="#">Banking Conditions Survey</a> (July 1, 2024)
CSBS	<a href="#">Community Bank Sentiment Index</a> (July 9, 2024)



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<b>OTHER RESOURCES</b>
<a href="#">Bloomberg Business and Financial News</a>
<a href="#">Consumer Financial Protection Bureau (CFPB)</a>
<a href="#">FFIEC BSA/AML InfoBase</a>
<a href="#">FFIEC Information Technology Handbook InfoBase</a>
<a href="#">Financial Accounting Standards Board (FASB)</a>
<a href="#">Financial Action Task Force (FATF)</a>
<a href="#">Financial Crimes Enforcement Network (FinCEN)</a>
<a href="#">The Financial Forecast Center - Discount Rate Information</a>
<a href="#">Office of Foreign Assets Control, U.S. Treasury (OFAC)</a>
<a href="#">Real Estate Research Center, Texas A&amp;M University (Market Reports)</a>
<a href="#">Temporary Liquidity Guarantee Program</a>
<a href="#">Texas Constitution and Statutes</a>
<a href="#">Texas and National Economy – Federal Reserve Bank of Dallas</a>
<a href="#">The Texas Economy – Texas Comptroller</a>
<a href="#">Troubled Asset Relief Program (TARP)</a>
<a href="#">Uniform Bank Performance Reports (UBPR) and Users Guide</a>

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### ACRONYMS AND ABBREVIATIONS

<b>ACRONYM / ABBREVIATION</b>	<b>MEANING</b>
AML	Anti-Money Laundering
ASU	Accounting Standards Update
BIS	Bank for International Settlements
BSA	Bank Secrecy Act
CFPB	Consumer Financial Protection Bureau
CFR	Code of Federal Regulations
CRA	Community Reinvestment Act
CRE	Commercial Real Estate
CSBS	Conference of State Bank Supervisors
Dodd-Frank Act	The Dodd-Frank Wall Street Reform and Consumer Protection Act
DOJ	Department of Justice
FASB	Financial Accounting Standards Board
FC	Finance Commission of Texas
FCA	Farm Credit Administration
FDIC	Federal Deposit Insurance Corporation
FDIC-OIG	FDIC Office of Inspector General

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<b>ACRONYM / ABBREVIATION</b>	<b>MEANING</b>
FFIEC	Federal Financial Institutions Examination Council
FHA	Federal Housing Authority
FHFA	Federal Housing Finance Agency
FinCEN	Financial Crimes Enforcement Network
FRB (or Fed or FR)	Federal Reserve Board or Federal Reserve
FTC	Federal Trade Commission
HUD	Housing and Urban Development Department
NCUA	National Credit Union Association
OCC	Office of the Comptroller of the Currency
OFAC	Office of Foreign Asset Control
OIG	Office of Inspector General
SDN	Specially Designated National
SEC	Securities and Exchange Commission
TDB	Texas Department of Banking
TSSB	Texas State Securities Board
Treasury	U.S. Department of Treasury