



# Supervisory Update News Summary

AS OF NOVEMBER 15, 2020

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Consumer Financial Protection Bureau Issues Final Rule Extending the GSE Patch	<a href="#">Press Release</a> Oct. 20, 2020	The CFPB issued a final rule to extend the Government-Sponsored Enterprise (GSE) Patch until the mandatory compliance date of a final rule amending the General Qualified Mortgage (QM) loan definition in Regulation Z.	CFPB
Consumer Financial Protection Bureau Issues Final Rule, Improves Clarity and Transparency by Amending Disclosure of Records and Information Regulation	<a href="#">Press Release</a> Oct. 29, 2020	The CFPB issued a final rule amending its Disclosure of Records and Information Regulation. The rule seeks to balance concerns regarding the Bureau's need to protect confidential personal, business, supervisory, and investigative information against the need to use and disclose certain information in the course of the Bureau's work or the work of other agencies with overlapping statutory or regulatory authority	CFPB
Financial Education Webinar: Applying for Credit Presented Jointly by the Office of Consumer Credit Commissioner and Texas Department of Banking	<a href="#">Industry Notice</a> Oct. 26, 2020	The 45-minute webinar will focus on applying for credit, including an explanation of what lenders can and cannot use to determine your creditworthiness. The session will also address the differences between good and bad credit, debt-to-income, and managing credit inquiries and credit scores. The webinar will be followed by a 15-minute Question and Answer session.	TDB
FDIC Survey Shows 95 Percent of U.S. Households Were Banked in 2019	<a href="#">PR-113-2020</a> Oct. 19, 2020	A record 95 percent of U.S. households had a bank or credit union account in 2019, according to a new biennial survey and report released today by the FDIC. <a href="#">How America Banks: Household Use of Banking and Financial Services</a> also found that a record low 5.4 percent of U.S. households were unbanked in 2019.	FDIC

## SUPERVISORY UPDATE NEWS SUMMARY

---

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
<p>The FDIC Approves Interim Final Rule to Provide Temporary Relief from Part 363 Audit and Reporting Requirements</p>	<p><a href="#">PR-114-2020</a> Oct. 20, 2020</p> <p><a href="#">FIL-99-2020</a> Oct. 20, 2020</p>	<p>Due to recent disruptions in economic conditions, some insured depository institutions (IDIs) have experienced large cash inflows resulting from participation in the Paycheck Protection Program (PPP), the Money Market Mutual Fund Liquidity Facility (MMLF), and the Paycheck Protection Program Liquidity Facility (PPPLF), or due to other factors such as the effects of other government stimulus efforts.</p> <p>The FDIC issued an <a href="#">interim final rule</a> (IFR) to provide relief for such IDIs that, absent regulatory action, would be required to incur substantial costs on a temporary basis.</p>	<p>FDIC</p>
<p>FDIC Issues List of Banks Examined for CRA Compliance</p>	<p><a href="#">PR-123-2020</a> Nov. 4, 2020</p>	<p>The FDIC issued its list of state nonmember banks recently evaluated for compliance with the CRA. The list covers evaluation ratings that the FDIC assigned to institutions in August 2020.</p> <p>Four Texas state-chartered banks were evaluated during this period, and all four received a Satisfactory rating.</p>	<p>FDIC</p>
<p>Final Rule: Total Loss Absorbing Capital (TLAC) Holdings</p>	<p><a href="#">FIL-102-2020</a> Oct. 28, 2020</p>	<p>The federal bank regulatory agencies have issued a joint final rule that amends the capital rule to require advanced approaches banking organizations to deduct from regulatory capital certain investments in unsecured debt instruments issued by global systemically important banks (GSIBs) and certain subsidiaries of GSIBs that are issued for the purpose of meeting minimum long-term debt or TLAC requirements (i.e., covered debt instruments).</p>	<p>FDIC FRB OCC</p>
<p>LIBOR Transition for Loans</p>	<p><a href="#">FIL-104-2020</a> Nov. 6, 2020</p> <p><a href="#">SR 20-25</a> Nov. 6, 2020</p>	<p>The FDIC, OCC and FRB (collectively, the agencies) have issued a <a href="#">joint statement</a> reiterating that a bank may use any reference rate for its loans that the bank determines to be appropriate for its funding model and customer needs. However, the bank should include fallback language in its lending contracts that provides for use of a robust fallback rate if the initial reference rate is discontinued.</p>	<p>FDIC FRB OCC</p>

## SUPERVISORY UPDATE NEWS SUMMARY

---

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Federal Reserve Board Publishes Detailed Noncash Payments Data from the 2019 Federal Reserve Payments Study	<a href="#">Press Release</a> Oct. 29, 2020	The FRB published detailed noncash payments data from the 2019 Federal Reserve Payments Study (FRPS). The additional data, estimated from surveys covering 2012 through 2018, supplement the noncash payments overview provided by the top-line data released in December 2019.	FRB
Federal Reserve Board Adjusts Terms of Main Street Lending Program to Better Target Support to Smaller Businesses that Employ Millions of Workers and are Facing Continued Revenue Shortfalls due to the Pandemic	<a href="#">Press Release</a> Oct. 30, 2020	The FRB adjusted the terms of the Main Street Lending Program in two important ways to better target support to smaller businesses that employ millions of workers and are facing continued revenue shortfalls due to the pandemic. In particular, the minimum loan size for three Main Street facilities available to for-profit and non-profit borrowers has been reduced from \$250,000 to \$100,000 and the fees have been adjusted to encourage the provision of these smaller loans.	FRB
Federal Reserve Publishes Latest Version of its Supervision and Regulation Report	<a href="#">Press Release</a> Nov. 6, 2020	The FRB published the latest version of its supervision and regulation <a href="#">report</a> , which summarizes banking conditions and information about the Federal Reserve's bank regulatory and supervisory activities.	FRB
Federal Reserve Board Approves Fee Schedule for Federal Reserve Bank Priced Services	<a href="#">Press Release</a> Nov. 10, 2020	The FRB announced the approval of fee schedules, effective January 4, 2021, for payment services the FR Banks provide to depository institutions (priced services).	FRB

## SUPERVISORY UPDATE NEWS SUMMARY

---

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Codification Improvements to Subtopic 310-20, Receivables — Nonrefundable and Other Costs	<a href="#">ASU 2020-08</a> Oct. 16, 2020	The amendments in this Update clarify that an entity should reevaluate whether a callable debt security is within the scope of paragraph 310-20-35-33 for each reporting period.	FASB
Codification Improvements	<a href="#">ASU 2020-10</a> Oct. 29, 2020	The Board has a standing project on its agenda to address suggestions received from stakeholders on the Accounting Standards Codification and to make other incremental improvements to generally accepted accounting principles (GAAP). This perpetual project facilitates Codification updates for technical corrections such as conforming amendments, clarifications to guidance, simplifications to wording or structure of guidance, and other minor improvements and should eliminate the need for periodic agenda requests for narrow and incremental items. The resulting amendments are referred to as Codification improvements.	FASB
First Bitcoin “Mixer” Penalized by FinCEN for Violating Anti-Money Laundering Laws	<a href="#">Press Release</a> Oct. 19, 2020	The FinCEN has assessed a \$60 million civil money penalty against Larry Dean Harmon, the founder, administrator, and primary operator of Helix and Coin Ninja, convertible virtual currency “mixers,” or “tumblers,” for violations of the BSA and its implementing regulations.	FinCEN
FinCEN Reissues Real Estate Geographic Targeting Orders for 12 Metropolitan Areas	<a href="#">Press Release</a> Nov. 5, 2020	<p>The FinCEN announced the renewal of its Geographic Targeting Orders (GTOs) that require U.S. title insurance companies to identify the natural persons behind shell companies used in all-cash purchases of residential real estate. These renewed GTOs are identical to the May 2020 GTOs. The purchase amount threshold remains \$300,000 for each covered metropolitan area.</p> <p>Among the 12 metropolitan areas referenced in the orders were Dallas-Fort Worth and San Antonio.</p>	FinCEN

## SUPERVISORY UPDATE NEWS SUMMARY

---

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
FinCEN Holds Virtual FinCEN Exchange on Ransomware	<a href="#">Press Release</a> Nov. 12, 2020	The FinCEN today convened a virtual FinCEN Exchange with representatives from financial institutions, technology firms, third-party service providers, and federal government agencies to discuss growing concerns regarding ransomware, as well as the efforts to curtail it. Topics discussed included ransomware detection and reporting, emerging trends and typologies, and recovery of victims' funds.	FinCEN
FinCEN Clarifies FBAR Extensions	<a href="#">Notice</a> Oct. 16, 2020	On October 14, 2020, FinCEN posted an incorrect message on its BSA E-Filing website. FinCEN removed it within 24 hours. The message incorrectly stated there was a new filing extension until December 31, 2020 for all filers of Reports of Foreign Bank and Financial Accounts (FBARs). The extension until December 31, 2020, however, is intended only as an accommodation for victims of recent natural disasters covered in FinCEN's <a href="#">October 6, 2020 notice</a> .	FinCEN
Advisory on the Financial Action Task Force-Identified Jurisdictions with Anti-Money Laundering, Combating the Financing of Terrorism, and Proliferation Deficiencies	<a href="#">FIN- 2020-A009</a> Nov. 6, 2020	The FinCEN is issuing this advisory to inform financial institutions of updates to the FATF list of jurisdictions with strategic AML and combating the financing of terrorism (CFT) and counter-proliferation financing deficiencies.	FinCEN
OCC Reports Key Risks, Effects of COVID-19 in Federal Banking System	<a href="#">NR 2020-147</a> Nov. 9, 2020	The OCC reported the key issues facing the federal banking system and the effects of the COVID-19 pandemic on the federal banking industry in its <a href="#">Semiannual Risk Perspective for Fall 2020</a> .	OCC
Capital and Liquidity Treatment for Money Market Liquidity Facility and Paycheck Protection Program: Final Rule	<a href="#">OCC Bulletin 2020-96</a> Nov. 3, 2020	On October 28, 2020, the OCC, the FRB, and the FDIC (collectively, the agencies) jointly issued a final rule confirming three sets of revisions to the agencies' regulatory capital and liquidity rules.	OCC

## SUPERVISORY UPDATE NEWS SUMMARY

---

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Community Reinvestment Act: Key Provisions of the June 2020 CRA Rule and Frequently Asked Questions	<a href="#">OCC Bulletin 2020-99</a> Nov. 9, 2020	The OCC published in the <i>Federal Register</i> on June 5, 2020, a final rule (June 2020 rule) that strengthens and modernizes the agency’s regulations under the CRA. This bulletin summarizes key provisions of the June 2020 rule, which became effective October 1, 2020. This bulletin provides responses to frequently asked questions (FAQ) from bankers and examiners about how the OCC will administer and implement the June 2020.	OCC
Governor Greg Abbott Renews State of Disaster Following Violent Protests	<a href="#">Proclamation</a> Oct. 27, 2020	Governor Greg Abbott renewed a May 31, 2020, State of Disaster for all Texas counties in the midst of violent protests that endanger public safety and threaten property loss and damage.	TxGov
Governor Abbott Extends Disaster Declaration In Response To Drought Conditions	<a href="#">Proclamation</a> Nov. 4, 2020	Governor Greg Abbott renewed an October 5, 2020, disaster declaration in response to drought conditions in Andrews, Armstrong, Bailey, Brewster, Briscoe, Castro, Childress, Cochran, Collingsworth, Crane, Cosby, Culberson, Dawson, Dimmit, Deaf Smith, Ector, Floyd, Gaines, Glasscock, Gray, Hale, Hockley, Hudspeth, Jeff Davis, Lamb, Loving, Lubbock, Lynn, Martin, Midland, Motley, Parmer, Presidio, Randall, Reagan, Reeves, Sutton, Swisher, Terrell, Terry, Upton, Uvalde, Ward, Wheeler, Winkler, Yoakum, and Zavala counties; and that the conditions also now threaten Dickens, Hall, Maverick, Medina, Oldham, and Roberts counties	TxGov
Governor Abbott Renews State Disaster Declaration For COVID-19 in November 2020	<a href="#">Proclamation</a> Nov. 6, 2020	Governor Greg Abbott issued a proclamation extending his Disaster Declaration for all Texas counties in response to COVID-19. Originally issued on March 13th, the Disaster Declaration provides the state a number of resources to effectively serve Texans as the Lone Star State continues to mitigate the spread of COVID-19.	TxGov

## SUPERVISORY UPDATE NEWS SUMMARY

---

TITLE	TYPE/DATE	DESCRIPTION	SOURCE
Governor Greg Abbott Extended The State Disaster Declaration In November 2020	<a href="#">Proclamation</a> Nov. 6, 2019	Texas Governor Greg Abbott has renewed a disaster proclamation for 60 counties affected by Hurricane Harvey. Included in the original proclamation of August 23, 2017, were the counties of Aransas, Austin, Bee, Brazoria, Calhoun, Chambers, Colorado, DeWitt, Fayette, Fort Bend, Galveston, Goliad, Gonzales, Harris, Jackson, Jefferson, Jim Wells, Karnes, Kleberg, Lavaca, Liberty, Live Oak, Matagorda, Nueces, Refugio, San Patricio, Victoria, Waller, Wharton and Wilson. Subsequently added on August 26, 2017, were Angelina, Atascosa, Bastrop, Burleson, Bexar, Brazos, Caldwell, Cameron, Comal, Grimes, Guadalupe, Hardin, Jasper, Kerr, Lee, Leon, Madison, Milam, Montgomery, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Washington and Willacy counties.	TxGov

## SUPERVISORY UPDATE NEWS SUMMARY

---

### INDUSTRY PUBLICATIONS

Department of Banking - [How Financially Literate Are You?](#) Financial Education Brochure - October 2020

FDIC - [Importance of Community Banks in Paycheck Protection Program Lending](#) - November 6, 2020

FDIC - [Consumer News: Beware, It's a Scam!](#) - October 2020

FRB [Beige Book](#) - Summary of Commentary on Current Economic Conditions - October 21, 2020

FRB - [Senior Loan Officer Opinion Survey on Bank Lending Practices](#) - November 9, 2020

FRB - [Financial Stability Report](#) - November 2020

FRB Dallas - [Your Texas Economy](#) - An overview of the Texas economy as of October 20, 2020, examining job growth, unemployment trends, and the performance of key industry sectors

OCC - [Updated Comptroller's Handbook](#): Booklet and Rescissions – Updated “Concentrations of Credit” section - October 2020



## SUPERVISORY UPDATE NEWS SUMMARY

---

OTHER RESOURCES
<a href="#">Bloomberg Business and Financial News</a>
<a href="#">Consumer Financial Protection Bureau (CFPB)</a>
<a href="#">The Financial Forecast Center - Discount Rate Information</a>
<a href="#">FFIEC Information Technology Handbook InfoBase</a>
<a href="#">FFIEC BSA/AML Examination Manual 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="#">Office of Foreign Assets Control, U.S. Treasury (OFAC)</a>
<a href="#">Real Estate Market Reports (Texas A&amp;M RE Center)</a>
<a href="#">Simply Stated (CSBS podcast)</a>
<a href="#">Temporary Liquidity Guarantee Program</a>
<a href="#">Texas Constitution and Statutes</a>
<a href="#">The Texas Economy – Texas Comptroller</a>
<a href="#">Texas and National Economy – Federal Reserve Bank of Dallas</a>
<a href="#">Troubled Asset Relief Program (TARP)</a>
<a href="#">Uniform Bank Performance Reports (UBPR) and Users Guide</a>

## SUPERVISORY UPDATE NEWS SUMMARY

---

### ACRONYMS AND ABBREVIATIONS

ACRONYM/ABBREVIATION	MEANING
AML	Anti-Money Laundering
ASU	Accounting Standards Update
BIS	Bank for International Settlements
BSA	Bank Secrecy Act
CFR	Code of Federal Regulations
CRA	Community Reinvestment Act
CRE	Commercial Real Estate
CFPB	Consumer Financial Protection Bureau
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
FFIEC	Federal Financial Institutions Examination Council
FHA	Federal Housing Authority

## SUPERVISORY UPDATE NEWS SUMMARY

---

<b>ACRONYM/ABBREVIATION</b>	<b>MEANING</b>
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