



90 Day Regulatory Outlook

December 2022

The following 90-day outlook is designed to provide you with a single view of recent announcements and key regulatory dates through February 2023. Relevant BAI course updates are listed.

Color Key:

ENACTED/ANNOUNCED DATE | **EFFECTIVE DATE** | **COMMENTS DUE/ISSUED DATE** | **MANDATORY DATE**

December 2, 2022 | COMMENTS DUE

Federal Reserve Invites Comment on Guidance on Commercial Real Estate Loans

The Federal Reserve Board on Tuesday announced that it has invited comment on updates to its existing guidance on commercial real estate loan accommodations for borrowers. The proposal from the Board is identical to a proposal issued by the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the National Credit Union Administration last month.

December 16, 2022 | EFFECTIVE DATE

SEC Adopts Pay Versus Performance Disclosure Rules

The Securities and Exchange Commission today adopted amendments to its rules to require registrants to disclose information reflecting the relationship between executive compensation actually paid by a registrant and the registrant's financial performance. The rules implement a requirement mandated by the Dodd-Frank Act. The Commission proposed pay versus performance disclosure rules in 2015 and reopened the comment period on the proposal in January of this year.

December 16, 2022 | COMMENTS DUE

Federal Reserve Invites Comment on Proposed Rule to Enhance Regulators' Ability to Resolve Banks

The Federal Reserve Board on Friday invited public comment on an advance notice of proposed rulemaking to enhance regulators' ability to resolve large banks in an orderly way should they fail.



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December 16, 2022 | FINAL RULE

SEC Adopts Rule Amendments to Modernize How Broker-Dealers Preserve Electronic Records and Enhance the Electronic Recordkeeping Requirements for Security-Based Swap Entities

The Securities and Exchange Commission today voted to adopt amendments to the electronic recordkeeping, prompt production of records, and third-party recordkeeping service requirements applicable to broker-dealers, security-based swap dealers (SBSDs), and major security-based swap participants (MSBSPs). The amendments are designed to modernize recordkeeping requirements given technological changes over the last two decades and to make the rule adaptable to new technologies in electronic recordkeeping. The amendments will also facilitate examinations of broker-dealers, SBSDs, and MSBSPs.

December 23, 2022 | COMMENTS DUE

FDIC Proposes Rule Regarding Resolution-Related Resource Requirements for Large Banking Organizations

The Federal Deposit Insurance Corporation's Board of Directors today approved the publication of an Advance Notice of Proposed Rulemaking (ANPR) concerning potential new resolution-related resource requirements for large banking organizations to improve the prospects for the orderly resolution of large banks in the United States should they fail. The ANPR is being proposed jointly by the FDIC and the Board of Governors of the Federal Reserve System.

December 23, 2022 | COMMENTS DUE

Federal Trade Commission Explores Rule Cracking Down on Junk Fees

The Federal Trade Commission announced today that it is exploring a rule to crack down on junk fees proliferating throughout the economy. Junk fees are unnecessary, unavoidable, or surprise charges that inflate costs while adding little to no value. Consumers can get hit with junk fees at any stage of the purchase or payment process. Companies often harvest junk fees by imposing them on captive consumers or by deploying digital dark patterns and other tricks to hide or mask them. The agency is seeking public comment on the harms caused by junk fees and the unfair or deceptive tactics companies use to impose them.



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December 23, 2022 | COMMENTS DUE

FTC to Explore Rulemaking to Combat Fake Reviews and Other Deceptive Endorsements

The Federal Trade Commission announced today it is exploring a potential rule to combat deceptive or unfair review and endorsement practices, such as using fake reviews, suppressing negative reviews, and paying for positive reviews. Deceptive and manipulated reviews and endorsements cheat consumers looking for real feedback on a product or service and undercut honest businesses. The FTC's Advance Notice of Proposed Rulemaking (ANPR) seeks public comment on potential harms stemming from deceptive or unfair review and endorsement practices and whether a rule would help consumers and level the playing field for honest marketers.

January 1, 2023 | EFFECTIVE DATE

FinCEN Issues Final Rule for Beneficial Ownership

Today, the U.S. Treasury's Financial Crimes Enforcement Network (FinCEN) took a historic step in support of U.S. government efforts to crack down on illicit finance and enhance transparency by issuing a final rule establishing a beneficial ownership information reporting requirement, pursuant to the bipartisan Corporate Transparency Act (CTA). The rule will require most corporations, limited liability companies, and other entities created in or registered to do business in the United States to report information about their beneficial owners—the persons who ultimately own or control the company, to FinCEN. Designed to protect U.S. national security and strengthen the integrity and transparency of the U.S. financial system, the rule will help to stop criminal actors, including oligarchs, kleptocrats, drug traffickers, human traffickers, and those who would use anonymous shell companies to hide their illicit proceeds.

January 1, 2023 | EFFECTIVE DATE

FDIC Adopts Final Rule on Assessments, Revised Deposit Insurance Assessment Rates; Maintains the Designated Reserve Ratio for 2023

The Federal Deposit Insurance Corporation (FDIC) adopted a final rule to increase initial base deposit insurance assessment rate schedules uniformly by 2 basis points beginning in the first quarterly assessment period of 2023. After careful consideration of comments received and updated analysis and projections, the FDIC adopted as final and without change, the increase in assessment rates as proposed on June 21, 2022.



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January 1, 2023 | EFFECTIVE DATE

Agencies Announce Dollar Thresholds in Regulation Z and Regulation M for Exempt Consumer Credit and Lease Transactions

The Federal Reserve Board and the Consumer Financial Protection Bureau today announced the dollar thresholds used to determine whether certain consumer credit and lease transactions in 2023 are exempt from Regulation Z (Truth in Lending) and Regulation M (Consumer Leasing).

Course Updates: (Release Date October 21, 2022)

30416B / 30416C / 30416N – Regulation M: Covered Leases, Disclosures, and the Three-Payment Rule

30420B / 30420C / 30420M / 20420N – Reg Z: Fundamentals for Real Estate Loans

January 2, 2023 | COMMENTS DUE

SEC Proposes Enhancements to Open-End Fund Liquidity Framework

The Securities and Exchange Commission proposed amendments to better prepare open-end management investment companies ("open-end funds") for stressed conditions and mitigate dilution of shareholders' interests. The rule and form amendments incorporate lessons learned from the market events of March 2020 and would improve on the existing framework.

Action Item: Investment management companies that offer investment advisory products should submit their comments to the SEC.

January 13, 2023 | COMMENTS DUE

Federal Reserve Seeks Comment on Proposal to Publish Periodic List of Depository Institutions with Access to Federal Reserve Accounts and Payment Services

The Federal Reserve Board on Friday invited public comment on a proposal to publish a periodic list of depository institutions that have access to Federal Reserve accounts—often referred to as "master accounts"—and payment services. The proposal would result in a transparent and accessible source of this information for the public.

Action Item: Depository financial institutions that have access to Federal Reserve accounts and payment services should submit their comments to the Federal Reserve Board.

January 20, 2023 | COMMENTS DUE

FTC Explores Changes, Possible Expansion of Its Business Opportunity Rule

The FTC is inviting the public to comment not only on the potential expansion of the rule, but also on the effectiveness of the existing rule, including whether it should be retained or eliminated, as well as other changes that should be made to the rule.



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Action Item: Financial institutions that offer commercial loans and deposit products should submit their comments to the FTC.

January 25, 2023 | COMMENTS DUE **CFPB Kicks Off Personal Financial Data Rights Rulemaking**

Today, the Consumer Financial Protection Bureau (CFPB) outlined options to strengthen consumers' access to, and control over, their financial data as a first step before issuing a proposed data rights rule that would implement section 1033 of the Dodd-Frank Act. Under the options the CFPB is considering, consumers would be able to more easily and safely walk away from companies offering bad products and poor service and move towards companies competing for their business with alternate or innovative products and services.

June 9, 2023 | EFFECTIVE DATE **FTC Extends Deadline by Six Months for Compliance with Some Changes to Financial Data Security Rule**

The Federal Trade Commission today announced it is extending by six months the deadline for companies to comply with some of the changes the agency implemented to strengthen the data security safeguards financial institutions must put in place to protect their customers' personal information. The deadline for complying with some of the updated requirements of the Safeguards Rule is now June 9, 2023.

Action Item: Financial institutions that offer consumer products should continue to implement data security policies for complying with the Safeguards Rule.

July 1, 2023 | EFFECTIVE DATE **Federal Reserve Board finalizes updates to the Board's rule concerning debit card transactions**

The Federal Reserve Board on Monday finalized updates to the Board's rule concerning debit card transactions. Pursuant to statute, the updates specify that debit card issuers should enable at least two payment card networks to process all debit card transactions, including "card-not-present" transactions, such as online payments. The final rule is substantially similar to the proposal issued last year.

Course Updates: (Release Date November 22, 2022)

30212B / 30212C / 30212N - Reg II: How Interchange Fees Affect Your Institution



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July 1, 2023 | EFFECTIVE DATE

Attorney General Becerra Announces Approval of Additional Regulations That Empower Data Privacy Under the California Consumer Privacy Act

California Attorney General Xavier Becerra today announced additional regulations approved by the Office of Administrative Law that advance protections for Californians seeking to control the sale of their personal information. The California Consumer Privacy Act (CCPA) gives consumers new tools and rights for protecting their data privacy. These newly-approved rules strengthen the language of the CCPA regulations approved by OAL in August 2020, including protecting consumers from unlawful business practices that may be deceptive or misleading.

Course Updates: (Release Date TBD)

BAI will release new courseware closer to the effective date of the rule.

July 1, 2023 | EFFECTIVE DATE

SEC Adopts Rules to Enhance Proxy Voting Disclosure by Registered Investment Funds and Require Disclosure of "Say-on-Pay" Votes for Institutional Investment Managers

The Securities and Exchange Commission today adopted amendments to Form N-PX to enhance the information mutual funds, exchange-traded funds, and certain other registered funds report about their proxy votes. The amendments will make these funds' proxy voting records more usable and easier to analyze, improving investors' ability to monitor how their funds vote and compare different funds' voting records. The rulemaking will also newly require institutional investment managers to disclose how they voted on executive compensation, or so-called "say-on-pay" matters, which fulfills one of the remaining rulemaking mandates under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Action Item: Institutional investment managers that offer Institutional Investment Manager-mutual funds, exchange-traded funds, and certain other registered funds should implement the new voter proxy records.



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April 1, 2024 | EFFECTIVE DATE

FDIC Approves Final Rule Regarding Deposit Insurance Simplification

The final rule simplifies deposit insurance coverage for deposits held in connection with revocable and irrevocable trusts by merging these two deposit insurance categories and applying a simpler, common calculation to determine coverage. Currently, the FDIC receives more inquiries related to deposit insurance coverage for trust deposits than all other types of deposits combined. The final rule will make the trust rules consistent and easier to understand for bankers and depositors and will facilitate prompt payment of deposit insurance by the FDIC in the event of an insured depository institution's failure. Meanwhile, the FDIC expects that the vast majority of trust depositors will experience no change in the coverage for their deposits when the final rule takes effect.

Course Updates: (Release Date TBD)

30328B / 30328C – Federally Insured Accounts