



90 Day Regulatory Outlook

June 2021

The following 90-day outlook is designed to provide you with a single view of recent announcements and key regulatory dates through August 2021. Relevant BAI course updates are listed.

Color Key:

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

June 11, 2021 | COMMENTS DUE

Agencies Issue Statement and Request for Information on Bank Secrecy Act/Anti-Money Laundering Compliance

The agencies, along with the National Credit Union Administration and the Financial Crimes Enforcement Network, also announced a request for information (RFI) on the extent to which the principles discussed in the guidance support compliance by banks and credit unions with BSA/AML and Office of Foreign Assets Control requirements. The agencies are seeking comments and information to better understand bank practices and determine whether additional explanation or clarification may be helpful.

Course Updates: (Release Date TBD)

BAI will release updated courses upon finalization of the rule.

June 25, 2021 | COMMENTS DUE

Agencies Invite Comment on Proposed Rule for Income Tax Allocation Agreements

Under the proposed rule, banks that file tax returns as part of a consolidated tax filing group would be required to enter into tax allocation agreements with their holding companies and other members of their consolidated group. The proposed rule also describes the provisions required to be included in those agreements and specifies regulatory reporting treatment.

June 25, 2021 | COMMENTS DUE

FDIC Issues Proposed Rule Regarding Misuse of the FDIC's Name or Logo

The Federal Deposit Insurance Corporation (FDIC) today issued a proposed 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. This statutory authority allows the FDIC to bring formal enforcement actions, such as cease and desist orders or civil money penalties, against individuals or entities for violations.



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June 30, 2021 | ANNOUNCED DATE

Federal Reserve Announces Extension of Paycheck Protection Program Liquidity Facility (PPPLF) to June 30, 2021

The Federal Reserve Board on Monday announced it will extend its Paycheck Protection Program Liquidity Facility, or PPPLF, by three months to June 30, 2021. The extension will provide continued support for the flow of credit to small businesses through the Paycheck Protection Program, or PPP.

June 30, 2021 | ANNOUNCED DATE

Federal Reserve Announces Extension of Rule To Bolster Effectiveness of the Small Business Administration's Paycheck Protection Program (PPP)

The Federal Reserve Board on Friday announced the third extension of a rule to bolster the effectiveness of the Small Business Administration's (SBA) Paycheck Protection Program (PPP). Like the earlier extensions, this one will temporarily modify the Board's rules so that certain bank directors and shareholders can apply to their banks for PPP loans for their small businesses.

June 30, 2021 | EFFECTIVE DATE

New NACHA Rule Defines Time Limit for Claims of Unauthorized Entries

The new Rule provides distinct time periods for two basic types of entries. For an entry to a non-consumer account, the RDFI can make a claim based on an unauthorized entry against the ODFI for one year from the settlement day. For an entry to a consumer account, the time limit is two years. In addition, for an entry to a consumer account, a second time period applies allowing an RDFI may make a claim to the ODFI for entries made within the first 95 calendar days from the settlement date of the first unauthorized entry, even if the entry(ies) settled more than two years ago. This allows RDFIs to make claims against ODFIs for any claims that they might have responsibility for under Regulation E.



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July 1, 2021 | COMMENTS DUE

Agencies Seek Wide Range of Views on Financial Institutions' Use of Artificial Intelligence

The Federal Reserve System, the Consumer Financial Protection Bureau (CFPB), the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA) and the Office of the Comptroller of the Currency (OCC) announced the request for information (RFI) to gain input from financial institutions, trade associations, consumer groups, and other stakeholders on the growing use of AI by financial institutions. More specifically, the RFI seeks comments to better understand the use of AI, including machine learning, by financial institutions; appropriate governance, risk management, and controls over AI; challenges in developing, adopting, and managing AI; and whether any clarification would be helpful.

Course Updates: (Release Date TBD)

BAI will release new and updated courses upon finalization of the rule.

July 9, 2021 | COMMENTS DUE

Federal Reserve Seeks Comment on Proposed Guidelines to Evaluate Requests for Accounts and Payment Services at Federal Reserve Banks

Recent years have seen the introduction of new financial products and delivery mechanisms for traditional banking services, notably leveraging emerging technologies, including from institutions with novel types of banking charters designed to support such innovation. To facilitate these activities, some such institutions have requested access to the payments system offered by Federal Reserve Banks. To help achieve the goal of applying a transparent and consistent process for all access requests, as well as considering the ramifications for the broader financial system, the Board is proposing Account Access Guidelines for the Reserve Banks to evaluate such requests. These guidelines take into account the Board's legal authority and reflect an analysis of its policy goals.

July 12, 2021 | COMMENTS DUE

Federal Reserve Seeks Comment on Proposed Changes to Regulation II

The Federal Reserve Board on Friday invited public comment on proposed changes to Regulation II (Debit Card Interchange Fees and Routing) to clarify that debit card issuers should enable, and allow merchants to choose from, at least two unaffiliated networks for card-not-present debit card transactions, such as online purchases. The Board views these clarifications of Regulation II's existing requirements as necessary in light of information indicating that often only one network is enabled for such transactions.

Course Updates: (Release Date TBD)

BAI will release updated courses upon finalization of the rule.



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July 16, 2021 | COMMENTS DUE **FDIC Issues Request for Information on Digital Assets**

The FDIC recognizes that there are novel and unique considerations related to digital assets. Given that banks are increasingly exploring the emerging digital asset ecosystem, the FDIC is issuing this request for information (RFI) to help inform its understanding of the industry's and consumers' interests in this area.

August 3, 2021 | COMMENTS DUE **Federal Reserve Invites Comment on Proposed Changes To Its Policy on Payment System Risk**

The proposal would modify the PSR policy to (1) expand access to collateralized capacity and (2) clarify the terms for accessing and retaining uncollateralized capacity. The proposal targets expanding options for higher levels of intraday credit capacity and does not propose any reductions of the current terms for providing uncollateralized access. Additionally, the Board proposes to modify the PSR policy and the Policy on Overnight Overdrafts to align them with the deployment of the FedNowSM Service and its 24x7x365 payment environment.

August 17, 2021 | EFFECTIVE DATE **FHA Revises Standard Single Family Servicing Policies**

The Federal Housing Administration (FHA) today announced the publication of its update to the Servicing and Loss Mitigation section of the FHA Single Family Housing Policy Handbook 4000.1. This update streamlines many standard operational requirements for mortgage servicers, including revising FHA's loss mitigation home retention "waterfall" so that servicers can more quickly offer effective loss mitigation home retention options to borrowers in danger of losing their homes to foreclosure. Additional changes streamline and enhance many servicing requirements to provide more consistency with industry practices and reduce barriers to servicing FHA-insured single family mortgages.



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November 30, 2021 | EFFECTIVE DATE

CFPB Issues Final Rule to Implement the Fair Debt Collection Practices Act

The Consumer Financial Protection Bureau (Bureau) today issued a final rule to restate and clarify prohibitions on harassment and abuse, false or misleading representations, and unfair practices by debt collectors when collecting consumer debt. The rule focuses on debt collection communications and gives consumers more control over how often and through what means debt collectors can communicate with them regarding their debts. The rule also clarifies how the protections of the Fair Debt Collection Practices Act (FDCPA), which was passed in 1977, apply to newer communication technologies, such as email and text messages.

Course Updates: (Release Date TBD)

30123B / 30123C / 30123M / 30123N – Understanding the Fair Debt Collection Practices Act (FDCPA)

20117 / 20117C / 20117M / 20117N – Fair Debt Collection Practices Act

November 30, 2021 | EFFECTIVE DATE

CFPB Issues Final Rule on Consumer Disclosures Related to Debt Collection

The Consumer Financial Protection Bureau (Bureau) issued today a final rule to implement Fair Debt Collection Practices Act (FDCPA) requirements regarding certain disclosures for consumers. The rule requires debt collectors to provide, at the outset of collection communications, detailed disclosures about the consumer's debt and rights in debt collection, along with information to help consumers respond. The rule requires debt collectors to take specific steps to disclose the existence of a debt to consumers, orally, in writing, or electronically, before reporting information about the debt to a consumer reporting agency (CRA). The rule prohibits debt collectors from making threats to sue, or from suing, consumers on time-barred debt.

Course Updates: (Release Date TBD)

30123B / 30123C / 30123M / 30123N – Understanding the Fair Debt Collection Practices Act (FDCPA)

20117 / 20117C / 20117M / 20117N – Fair Debt Collection Practices Act



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March 18, 2022 | EFFECTIVE LATE **Same Day ACH Payment Limit to Increase to \$1 Million**

Nacha members approved a measure to increase the per-payment maximum from the current \$100,000 to \$1 million effective March 18, 2022. It will apply to all eligible Same Day ACH payments, including credits and debits for both businesses and consumers.

Course Updates: (Release Date TBD)

20600 / 20600C / 20600N – The Automated Clearing House Network
30332B / 30332C / 30332N – The ACH Network

October 1, 2022 | MANDATORY DATE **CFPB Issues Two Final Rules to Promote Access to Responsible, Affordable Mortgage Credit**

The Bureau has issued two rules related to QM loans. The first final rule, the General QM Final Rule, replaces the current requirement for General QM loans that the consumer's debt-to-income ratio (DTI) not exceed 43 percent with a limit based on the loan's pricing. In the second final rule issued today, the Bureau creates a new category for QMs, Seasoned QMs.

Course Updates: (Release Date February 1, 2021)

4026B / 4026C / 4026M / 4026N – Defining Ability-to-Repay and Qualified Mortgages
20506 / 20506C / 20506M / 20506N - Reg Z: Ability-to-Repay and Qualified Mortgages
20507 / 20507C / 20507M / 20507N - Reg Z: Appendix Q (Retiring 3/1/2021)
31432B / 31432C / 31432M / 31432N – Mortgage Origination: Examining Capacity and Capital