



Regulatory Status Check: What is Happening with Payments?

Payments is a financial service that is changing rapidly and generating significant regulatory interest. New technologies enable financial institutions to transform how retail and commercial customers make and receive payments. These innovations present sizable growth opportunities, while delivering better experiences and lowering costs. However, new payment capabilities also introduce risks that must be managed. In this case it is helpful to look at what the CFPB concerns are and Federal Reserve's FedNow is and how they might be related.

The CFPB Sees Problems

In September, the CFPB issued a report highlighting several concerns around new payments innovations including:

- Rapid growth of tap-to-pay usage
- Dominant mobile operating systems impose different regulations on contactless payments
- Restrictive tap-to-pay practices may reduce consumer choice and hamper innovation

To learn more about the CFPB's report on payments and how FedNow could impact your organization, read our full article on [BAI L&D Connect](#)[®].

Several regulators have issued guidance on artificial intelligence (AI), but there are currently no laws governing AI at a federal level in the US. That being said, many states are developing laws governing AI. In 2023, over 200 artificial intelligence bills have been introduced in at least 25 states, with 15 states, including Puerto Rico adopting resolutions or enacting legislation, and 12 more states with proposed legislation. The rapid development of AI laws isn't surprising, given that usage is expected to grow as much as 20-25% over 5 years in industries such as healthcare, education, finance, law, and transportation, and is also likely to push privacy and ethical limits.

The odds of someone in your organization using AI to assist them in their job is high, regardless of whether your organization permits the usage of this technology. Your organization needs to have an AI Policy in place to state the organization's risk tolerance, and capacity for use of the technology (like the AI Policy Template found in BAI's [Policy Manager](#) library). If your regulators haven't asked to see a copy of your AI Policy yet, they will! Listed below are links to information for both proposed and enacted AI state legislation as well as a link to BAI's webinar, What you need to know about AI:

[US State-by-State AI Legislation Snapshot | Bryan Cave Leighton Paisner - JDSupra](#)

[Artificial Intelligence 2023 Legislation \(ncsl.org\)](#)

[What you need to know about AI webinar](#)

Assigning the Right Compliance Courses to the Right People

Given all the recent regulatory changes, are you assigning the right courses to the right people?

That's a question that many in the financial services industry ask. When assigning compliance courses, financial services organizations need to understand how each compliance issue impacts the employees at their business. Without this understanding, organizations run the risk of either under-assigning or over-assigning courses to their staff which can have serious consequences for productivity.



Annually, BAI works with over 2,300 banks, credit unions and other financial institutions to help them improve their compliance programs. In our article: "Assigning the Right Compliance Courses to the Right People", we cover the four key areas organizations need to look at to properly assign courses, which include:

- **Functional Departments and Lines of Business**
- **Experience Levels**
- **Responsibilities**
- **Risk Areas**

For a more in-depth look at the factors financial services organizations should look at when assigning courses, download "[Assigning the Right Compliance Courses to the Right People](#)" today.

November Webinars

CRA reform, AI risks, FedNow, and New Solutions from BAI

November 16, 2023 | 1:00 PM – 2:00 PM CT

During this webinar we will discuss recent regulatory announcements from the CFPB, Federal Reserve, FDIC, and more, including the likely impact on your organization. We will also cover new solutions that BAI has available to help you improve your 2024 compliance and risk management programs! Please join us for a 60-minute webinar which will include a demo and Q&A session.

Discussion topics will include:

- Recent regulatory announcements and their implications
- Available BAI resources including new Payments courses
- New feature: Integration of the BAI Learning Manager and BAI Policy Manager
- AI policy and other resources available from BAI

Presenters: **Jason Linnenbrink, Chris Boersma, CRCM, CISA, CAMS, and Stephen O'Brien**

[Sign Up Now](#)

Cybersecurity, What Everyone Must Know: Beyond the Basic Phishing and Poor Passwords

November 30, 2023 | 1:00 PM – 2:00 PM CT

As a business, it is imperative to make sure employees understand beyond the basics when it comes to cybersecurity, to ensure your company and client data is safe and secure.

In this webinar, Sai Huda, CEO, CyberCatch, a globally recognized cybersecurity expert and author of the best-selling book, Next Level Cybersecurity, will cover what every role in your financial services organization needs to know about cybersecurity, going beyond basic phishing and poor passwords vulnerabilities, covering reasons why and how attackers are so successful. Please join us for 60 minutes including a Q&A session.

Key Takeways:

- The number one reason why attackers are successful
- How attackers are successful, what you must know
- Recent blockbuster cases, revelations that will surprise and shock you
- The AI-Risk juggernaut, what you must know
- Cyber hygiene and best practices, what everyone from the board room to the server room must know and do in today's heightened risk environment

Presenter: **Sai Huda**

[Sign Up Now](#)

Support Tools for 2023 Year-End

As we enter the final months of 2023, we want to make sure our customers are as well supported as possible. Whether you're running reports on year-end training, or copying rules over for the new year, BAI has various resources to help you accomplish what you need:

- [2023 Year-End Guide](#)
- [User Manuals](#)
- [FAQs](#)
- [Training Videos](#)
- [Walkthrough Videos](#)

As always, if you have questions about any of these topics, please feel free to reach out to your [relationship manager](#). We are committed to ensuring all your needs are met!

Get a Head Start on 2024 – Replace These Retiring Courses

We understand you need the latest, most up-to-date information to train your organization. BAI is continuously updating our courseware to stay ahead of industry issues.



Effective December 31, 2023, BAI will be discontinuing several courses in the BAI courseware library. In their place, we are offering suggested, newer replacements.

Many of the benefits of these replacement courses include refreshed content, better course design, more video and interactivity, and often enhanced accessibility. When planning for 2024, we recommend removing these planned courses retirements from future training plans.

Similarly, we recommend that all learners enrolled in these courses complete them prior to December 31, 2023.

View [BAI's 2023 Course Retirements List and Recommended Replacements](#).

Visit [BAI L&D Connect](#)[®] to learn more about BAI courseware updates.

Upcoming LMS Password Strength Requirement Changes

In an effort to ensure system security and further protect customer data, the BAI Learning Manager System login page will receive an update in the coming weeks to include additional password strength requirements. Users who do not already meet these requirements will automatically be prompted after the

update to reset their password (this will not require users use the “Forgot password?” feature, and will not require an email being sent to them). For more information about the new password requirements, [click here](#).

BAI Holiday Hours

Please note BAI will be closed Thursday, November 23rd and Friday, November 24th in observance of Thanksgiving.



Regulatory Resources

90 Day Regulatory Outlook



Published monthly, [BAI’s 90-Day Regulatory Outlook](#) helps you plan for the compliance landscape in the upcoming fiscal quarter. Receive insights from BAI’s compliance experts on which policies and training courses of yours will be impacted by the most recent and relevant regulatory changes.

Alerts Now



Stay informed of all regulatory changes regardless of stage! Receive the [latest Financial Services industry compliance news](#) every week, including summaries of relevant announcements from more than 20 different regulatory bodies and overviews of personnel and products affected.

New Learning Manager Releases and Updates

Every month BAI adds new interactive courses and relevant documents, as well as making updates to existing courses. Follow the links below to see what has been added and updated for Compliance courseware, Professional Development courseware, and Documents & Resources:

1. [Compliance Courseware](#)
2. [Professional Development Courseware](#)
3. [Documents & Resources](#)

Visit [BAI L&D Connect](#)[®] to view the complete list of courseware and document updates.

New Updates for BAI Policy Manager

The BAI team is continuously working to provide clients with the best experience possible when using the BAI Policy Manager. As part of this process, we undergo bi-weekly releases to roll out new features and enhancements. The below list includes some of our recent favorites:

- To ensure you have the Regulatory Resource you need to make informed decisions within your policy management program, the following content changes occurred.
 - **Updated Policy Templates:** Audit Policy Template, Human Resources Salary Administration, and Marketing Policy
 - **Updated and New Policy Considerations:** Artificial Intelligence Policy, Audit Policy, Financial Technology Services Provider Policy, and Overdraft Policy
- **Updated password strength requirements** – to enhance system security the BAI Policy Manager minimum password requirements will be updated to require a minimum of ten characters and be subject to a new strength ranking system. Users with weak passwords will be prompted to reset them and the strength ranking system will be available in the user interface.
- **Redesign of Documents Tool Menu** – to intuitively display all available Document properties for Owners and Co-Owners.
- **BAI Learning Manager and BAI Policy Manager Integration** – creating a unified experience throughout all BAI platforms including automatic profile creation in the BAI Policy Manager and one-click access between applications.

If you have any questions regarding the BAI Policy Manager, please [contact us](#).

2023 BAI Global Innovation Award Winners and BAI Rising Stars

BAI recently announced the winners of the 2023 [BAI Global Innovation Awards](#). These ten winning organizations delivered unique solutions that positively improved customer and business relationships, drove organizational changes, and served their communities. The winning innovations include everything from digital transformation, improved customer experiences, and financial inclusion to early wage access, sustainability, and fintech collaborations.



To further recognize innovation in financial services, ten individuals and two teams were named BAI [Rising Stars](#). These leaders were selected based on their passion for innovation and their ability to drive positive change in their organizations and across the industry.

[Click here](#) to learn more about the award recipients and their innovations.

BAI Banking Strategies: **Industry Thought Leadership**

FedNow is live...now what?

Brian Keefe from NICE Actimize joins our *BAI Banking Strategies* podcast to tell us about how FedNow can be safe and efficient, all while allowing for a wider range of innovative instant payment services in the near future. [Listen now »](#)

What you need to know about AI

In September, Steven Ramirez from Beyond the Arc hosted a complimentary BAI webinar to provide insights about many of the key questions financial services organizations have with AI, along with what resources are available to help them create AI policies to help safeguard company information.

[Watch now »](#)

Why AI-Powered compliance is imperative to know your customer

AI technologies empower knowing your customer (KYC), compliance and security so financial institutions can continue to improve service delivery. [Read more »](#)

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