

Overview of Selected Regulations and Supervisory Guidance

This section provides an overview of recently released regulations and supervisory guidance, arranged in reverse chronological order. Press Release (PR) and Financial Institution Letter (FIL) designations are included so the reader can obtain more information.

ACRONYMS and DEFINITIONS

CFPB	Consumer Financial Protection Bureau
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
FRB	Federal Reserve Board
NCUA	National Credit Union Administration
OCC	Office of the Comptroller of the Currency
Federal bank regulatory agencies	FDIC, FRB, and OCC
Federal financial institution regulatory agencies	CFPB, FDIC, FRB, NCUA, and OCC

Subject	Summary
FDIC Issues Additional Cybersecurity Awareness Resources (FIL-55-2015, November 23, 2015)	The FDIC is adding to its cybersecurity awareness resources for financial institutions. The new resources include a Cybersecurity Awareness video and three vignettes for the Cyber Challenge, which consist of exercises that encourage discussions of operational risk issues and the potential impact of information technology (IT) disruptions on common banking functions. See https://www.fdic.gov/news/inactive-financial-institution-letters/2015/fil15055.html
FFIEC Issues Updated Management Booklet as Part of IT Examination Handbook Series (FIL-54-2015, November 20, 2015)	The FFIEC has issued a revised "Management" booklet that provides guidance to assist examiners in evaluating the IT governance at financial institutions and service providers. The booklet is part of the IT Examination Handbook series. See https://www.fdic.gov/news/inactive-financial-institution-letters/2015/fil15054.html
FDIC Board Approves Proposed Rule to Increase Deposit Insurance Fund To Statutorily Required Level (FIL-53-2015, November 17, 2015)	On October 22, 2015, the FDIC Board of Directors adopted a proposal to increase the Deposit Insurance Fund to the statutorily required minimum level of 1.35 percent. The proposed rule would impose on banks with at least \$10 billion in assets a surcharge of 4.5 cents per \$100 of their assessment base, after making certain adjustments. The FDIC expects the reserve ratio would likely reach 1.35 percent after approximately two years of payments of the proposed surcharges. Comments on the proposed rule are due January 5, 2016. See https://www.fdic.gov/news/news/financial/2015/fil15053.html

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Subject	Summary
FDIC Clarifies its Approach to Banks Offering Certain Products and Services to Non-Bank Payday Lenders (FIL-52-2015, November 16, 2015)	The FDIC is reissuing its 2005 <i>Payday Lending Guidance</i> (FIL-14-2005) to ensure bankers and others are aware that it does not apply to banks offering products and services, such as deposit accounts and extensions of credit, to non-bank payday lenders. Financial institutions that can properly manage customer relationships and effectively mitigate risks are neither prohibited nor discouraged from providing services to any category of business customers or individual customers operating in compliance with applicable state and federal laws. See https://www.fdic.gov/news/inactive-financial-institution-letters/2015/fil15052.html
FDIC Seeking Comment on Frequently Asked Questions Regarding Identifying, Accepting, and Reporting Brokered Deposits (FIL-51-2015, November 13, 2015)	The FDIC is seeking comment on a proposed update to a series of frequently asked questions and an accompanying introductory letter regarding identifying, accepting and reporting brokered deposits that were issued in January 2015 through FIL-2-2015. Comments on the proposed update are due December 28, 2015. See https://www.fdic.gov/news/inactive-financial-institution-letters/2015/fil15051.html
Agencies Announce Final EGRPRA Outreach Meeting (PR-90-2015, November 13, 2015)	The federal banking agencies will hold the final outreach meeting on Wednesday, December 2, 2015, at the FDIC in Arlington, VA, as part of their regulatory review under the <i>Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGRPRA)</i> . The meeting will feature panel presentations by bankers and consumer and community groups. See https://www.fdic.gov/news/news/press/2015/pr15090.html
FDIC Issues Guidance on Capital Treatment of Certain Investments in Covered Funds (FIL-50-2015, November 6, 2015)	The FDIC is issuing guidance to FDIC-supervised institutions to clarify the interaction between the regulatory capital rule and the final rule implementing Section 13 of the <i>Bank Holding Company Act</i> ("Volcker Rule") with respect to the appropriate capital treatment for investments in certain private equity funds and hedge funds ("covered funds"). See https://www.fdic.gov/news/news/financial/2015/fil15050.html
FDIC Issues Advisory on Effective Risk Management Practices for Purchased Loans and Purchased Loan Participations (FIL-49-2015, November 6, 2015)	The FDIC is issuing an Advisory to update information contained in the <i>FDIC Advisory on Effective Credit Risk Management Practices for Purchased Loan Participations</i> (FIL-38-2012). The updated Advisory addresses purchased loans and loan participations and reminds FDIC-supervised institutions of the importance of underwriting and administering these purchased credits as if the loans were originated by the purchasing institution. The updated Advisory also reminds institutions that third-party arrangements to facilitate loan and loan participation purchases should be managed by an effective third-party risk management process. See https://www.fdic.gov/news/news/financial/2015/fil15049.html

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Shared National Credits Review Notes High Credit Risk and Weaknesses Related to Leveraged Lending and Oil and Gas (PR-89-2015, November 5, 2015)	<p>Credit risk in the Shared National Credit portfolio remained at a high level, according to an annual review of large shared credits released by the federal bank regulatory agencies. The review found that leveraged lending transactions originated in the past year continue to exhibit weak structures. The review also noted an increase in weakness among credits related to oil and gas exploration, production, and energy services following the decline in energy prices since mid-2014.</p> <p>See https://www.fdic.gov/news/news/press/2015/pr15089.html</p>
Five Federal Agencies Finalize Swap Margin Rule (PR-86-2015, October 30, 2015)	<p>The FDIC, OCC, FRB, Farm Credit Administration, and Federal Housing Finance Agency issued a final rule to establish capital and margin requirements for swap dealers, major swap participants, security-based swap dealers, and major security-based swap participants regulated by one of the agencies (“covered swap entities”), as required by the <i>Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act)</i>.</p> <p>See https://www.fdic.gov/news/news/press/2015/pr15086.html</p>
FDIC Hosts Industry Teleconference in Recognition of Cybersecurity Awareness Month (FIL-48-2015, October 23, 2015)	<p>In recognition of President Obama’s designation of October as National Cybersecurity Awareness month, the FDIC is hosting an informational call for FDIC-supervised institutions on October 28, 2015. The call will address and discuss the FDIC’s regulatory expectations regarding cybersecurity preparedness and allow industry participants to ask questions.</p> <p>See https://www.fdic.gov/news/inactive-financial-institution-letters/2015/fil15048.html</p>
FDIC Provides Guidance for Financial Institutions Implementing the Truth in Lending Act and Real Estate Settlement Procedures Act Integrated Disclosure Rule (FIL-43-2015, October 2, 2015)	<p>The FDIC is providing guidance on its supervisory expectations in connection with examinations of financial institutions for compliance with the <i>Truth in Lending Act – Real Estate Settlement Procedures Act Integrated Disclosure Rule</i>, which is effective October 3, 2015.</p> <p>See https://www.fdic.gov/news/inactive-financial-institution-letters/2015/fil15043.html</p>
FDIC to Conduct Deposit Insurance Coverage Seminars (FIL-38-2015, September 14, 2015)	<p>The FDIC will conduct four live seminars on FDIC deposit insurance coverage for bank employees and bank officers between September 24, 2015, and December 2, 2015. In addition, the FDIC has developed three deposit insurance coverage seminars for bank officers and employees, which are now available on FDIC’s YouTube channel. The live and the YouTube deposit insurance coverage seminars will provide bank employees with an understanding of how to calculate deposit insurance coverage.</p> <p>See https://www.fdic.gov/news/inactive-financial-institution-letters/2015/fil15038.html</p>
FDIC Updates its Money Smart Financial Education Program for Consumers/Individuals with Visual Disabilities (PR-79-2015, October 5, 2015)	<p>The FDIC announced two resources tailored to meet the financial education needs of individuals with visual disabilities. The FDIC’s <i>Money Smart</i> curriculum for adults is available in Braille and Large Print. In addition, the latest version of the <i>Money Smart</i> Podcast Network—the audio version of <i>Money Smart</i>—is available in Spanish.</p> <p>See https://www.fdic.gov/news/news/press/2015/pr15079.html</p>

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Subject	Summary
Agencies Announce EGRPRA Outreach Meeting in Chicago (PR-75-2015, September 28, 2015)	The federal bank regulatory agencies will hold an outreach meeting on Monday, October 19, 2015, at the Federal Reserve Bank of Chicago as part of their regulatory review under <i>EGRPRA</i> . The meeting will feature panel presentations by bankers and consumer and community groups. See https://www.fdic.gov/news/news/press/2015/pr15075.html
FDIC Consumer Newsletter Features Tips on Choosing and Using Bank "Rewards" (PR-68-2015, August 27, 2015)	The Summer 2015 edition of <i>FDIC Consumer News</i> features tips when choosing a bank rewards program tied to credit or debit cards that earn points or provide cash back benefits. The edition also has articles on mobile financial services, automated teller machines, credit scores, reverse mortgages, and deposit insurance. See https://www.fdic.gov/news/news/press/2015/pr15068.html
Supervisory Insights Journal Released (FIL-36-2015, August 24, 2015)	The Summer 2015 issue of <i>Supervisory Insights</i> features two articles of interest to examiners, bankers, and supervisors. One article highlights the critical role of corporate governance and strategic planning in navigating a challenging operating environment. The second article discusses the new requirements related to bank investment in securitizations as a result of the enactment of the <i>Dodd-Frank Act</i> . See https://www.fdic.gov/news/inactive-financial-institution-letters/2015/fil15036.html
Agencies Issue Final Rule on Loans in Special Flood Hazard Areas (FIL-32-2015, July 21, 2015)	The FDIC, OCC, FRB, NCUA, and Farm Credit Administration approved the issuance of a joint final rule to amend their respective regulations regarding loans in special flood hazard areas. The final rule incorporates and implements certain provisions in the <i>Biggert-Waters Flood Insurance Reform Act of 2012 (BW Act)</i> and the <i>Homeowner Flood Insurance Affordability Act of 2014 (HFIAA)</i> regarding detached structures, force placement of flood insurance, and escrowing of flood insurance premiums and fees. See https://www.fdic.gov/news/news/financial/2015/fil15032.html
Agencies Release List of Distressed or Underserved Geographies (PR-59-2015, July 8, 2015)	The federal bank regulatory agencies announced the availability of the 2015 list of distressed or underserved nonmetropolitan middle-income geographies, where revitalization or stabilization activities will receive <i>Community Reinvestment Act</i> consideration as community development. See https://www.fdic.gov/news/news/press/2015/pr15059.html
Agencies Post Public Sections of Resolution Plans (PR-58-2015, July 6, 2015)	The FDIC and FRB posted the public portions of annual resolution plans for 12 large financial firms. Each plan must describe the company's strategy for rapid and orderly resolution under the U.S. Bankruptcy Code in the event of material financial distress or failure of the company. See https://www.fdic.gov/news/news/press/2015/pr15058.html

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Agencies Announce EGRPRA Outreach Meeting (PR-57-2015, July 6, 2015)	<p>The federal bank regulatory agencies will hold an outreach meeting on Tuesday, August 4, 2015, at the Federal Reserve Bank of Kansas City as part of their regulatory review under <i>EGRPRA</i>. The meeting will focus on rural banking issues and will feature panel presentations by industry participants and consumer and community groups. See https://www.fdic.gov/news/news/press/2015/pr15057.html</p>
FDIC Announces Meeting of Advisory Committee on Community Banking (PR-56-2015, July 6, 2015)	<p>The FDIC announced that its Advisory Committee on Community Banking will meet on Friday, July 10. Staff will provide an update on the FDIC's Community Banking Initiatives and discuss a number of issues, including examination frequency and offsite monitoring; call report streamlining; the cybersecurity assessment tool; high volatility commercial real estate loans; and the review of banking regulations under <i>EGRPRA</i>. See https://www.fdic.gov/news/news/press/2015/pr15056.html</p>
FDIC Issues Cybersecurity Assessment Tool (FIL-28-2015, July 2, 2015)	<p>The FDIC, in coordination with the other members of the FFIEC, is issuing the FFIEC Cybersecurity Assessment Tool to help institutions identify their cybersecurity risks and determine their preparedness. See https://www.fdic.gov/news/news/financial/2015/fil15028.html</p>
FDIC Releases Interagency Examination Procedures for Truth in Lending Act and Real Estate Settlement Procedures Act Mortgage Rules (FIL-27-2015, June 30, 2015)	<p>The FDIC released revised interagency examination procedures for the new <i>Truth in Lending Act (TILA) - Real Estate Settlement Procedures Act (RESPA) Integrated Disclosure Rule (TRID Rule)</i>, as well as amendments to other provisions of <i>TILA Regulation Z</i> and <i>RESPA Regulation X</i>. The CFPB issued a proposal for a TRID Rule effective on October 3, 2015. See https://www.fdic.gov/news/news/financial/2015/fil15027.html</p>
Agencies Issue Host State Loan-to-Deposit Ratios. (PR-54-2015, June 29, 2015)	<p>The federal bank regulatory agencies issued the host state loan-to-deposit ratios they will use to determine compliance with Section 109 of the <i>Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994</i>. These ratios update data released on July 2, 2014. See https://www.fdic.gov/news/news/press/2015/pr15054.html</p>
Agencies Announce Approval of Final Rule that Modifies Regulations that Apply to Loans Secured by Properties in Flood Hazard Areas. (PR-52-2015, June 22, 2015)	<p>The FDIC, OCC, FRB, NCUA, and Farm Credit Administration announced the approval of a joint final rule that modifies regulations that apply to loans secured by properties located in special flood hazard areas. The final rule implements provisions of the <i>HFIAA</i> relating to the escrowing of flood insurance payments and the exemption of certain detached structures from the mandatory flood insurance purchase requirement. The final rule also implements provisions in the <i>BW Act</i> relating to the force placement of flood insurance. See https://www.fdic.gov/news/news/press/2015/pr15052.html</p>