Community Bankers Association of Kansas

Regulatory Dispatch

Timely news and resources community bankers can use to better stay on top of a rapidly changing world.

January 8, 2026

Agencies Release Annual Asset-Size Thresholds Under Community Reinvestment Act Regulations

The Federal Reserve Board and the Federal Deposit Insurance Corporation today announced the 2026 updated Community Reinvestment Act (CRA) “small bank” and “intermediate small bank” asset-size thresholds.

The CRA regulations establish the framework and criteria by which the relevant agencies assess a financial institution’s record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations.

Financial institutions are evaluated under different CRA examination procedures based upon their asset-size classification. The asset-size thresholds are adjusted annually based on the average change in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), which is a measure of inflation.

As a result of the 2.51 percent increase in the CPI-W for the period ending in November 2025, the CRA asset-size thresholds for small banks and intermediate small banks are:

- A small bank is an institution that, as of December 31 of either of the prior two calendar years, had assets of less than $1.649 billion.
- An intermediate small bank is a small institution with assets of at least $412 million as of December 31 of both of the prior two calendar years and less than $1.649 billion as of December 31 of either of the prior two calendar years.

These thresholds are in effect from the latter of January 1, 2026 or the date of publication in the *Federal Register* through December 31, 2026. A list of the current and historical asset-size thresholds is available here.

Attachment(s)
Federal Register Notice (PDF)

Comment: Federal regulatory agencies are required to periodically adjust asset thresholds which determine whether an institution is subject to certain regulatory scrutiny to reflect inflationary changes.

BSA / AML

FinCEN Announces Data-Driven Border Operation to Address Potential Money Laundering (12/22/2025) – The U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) announced a multi-tiered operation targeting more than 100 U.S. money services businesses (MSBs) operating along the southwest border. These MSBs—which provide financial services outside of a formal bank—are being examined for potential non-compliance with regulations designed to detect money laundering and combat illicit finance. FinCEN's operation resulted in the issuance of six notices of investigation, dozens of examination referrals to the Internal Revenue Service (IRS), and over 50 compliance outreach letters.

Comment: FinCEN identified elevated risk patterns linked to cross-border laundering schemes involving drug trafficking, migrant smuggling, and organized crime. Using large-scale data analytics, authorities reviewed over one million Currency Transaction Reports and tens of thousands of Suspicious Activity Reports submitted under the Bank Secrecy Act. The analysis highlighted anomalies suggesting systemic compliance weaknesses rather than isolated errors.

Deposit / Retail Operations

Treasury Penny Production Cessation FAQs (12/31/2026) – The Treasury Department published non-binding guidance for businesses and consumers on handling various penny situations.

Comment: While minting has ended, 250 billion pennies remain legal tender and will continue to circulate. Have a plan and educate both your employees and your accountholders.

Lending

CFPB 2025 HMDA Filing Platform Now Open (01/02/2026) – The Consumer Financial Protection Bureau (CFPB) is pleased to announce that the filing period for the Home Mortgage Disclosure Act (HMDA) data collected in 2025 began on January 1, 2026. Financial institutions can use the HMDA platform to upload their loan/application registers (LAR), review edits, certify the accuracy and completeness of the data, and submit data for the filing year in compliance with the reporting requirements outlined in the Filing Instructions Guide for HMDA data collected in 2025. Submissions will be considered timely if received on or before Monday, March 2, 2026.

Submit your data!

Access the HMDA Platform to begin the filing process for data collected in 2025 here: https://ffiec.cfpb.gov/filing/.

Users will receive a confirmation email upon submission of their HMDA data. The confirmation email will be sent to the email account of the user that has submitted the data.

Testing your submission?

	The beta platform will remain available on an ongoing basis for filers wishing to test their submissions. Please note that the beta platform is for testing purposes only. No data submitted on the beta platform will be considered for compliance with HMDA data reporting requirements. To submit your HMDA Data for 2025, visit the live HMDA platform at https://ffiec.cfpb.gov/filing/. We encourage financial institutions to continue providing feedback on their experience using the HMDA platform and to direct any questions regarding the HMDA platform to hmdahelp@cfpb.gov or https://hmdahelp.consumerfinance.gov/. ***Comment: Remember that effective January 1, 2025, users logging into the HMDA platform will need to login via Login.gov, which utilizes multifactor authentication (MFA).***
	FFIEC 2026 Distressed or Underserved Nonmetropolitan Middle-income Geographies List (12/30/2025) – The 2026 Distressed or Underserved Metropolitan Middle-Income Geographies list is now available on the FFIEC CRA website. You can view or update your subscriptions or e-mail address at any time on your User Profile Page. All you will need is your e-mail address. P.S. If you have any questions or problems visit subscriberhelp.govdelivery.com for assistance. ***Comment: Distressed or underserved nonmetropolitan middle-income geographies are census tracts where revitalization or stabilization activities are eligible to receive Community Reinvestment Act consideration. The designations reflect local economic conditions, including unemployment, poverty and population changes, according to the agencies.***
	CSBS Safety and Soundness Rules Need Balance and Durability (12/29/2025) – Washington, D.C. – Efforts by the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency to define "unsafe or unsound practices" should promote a balanced and resilient federal supervisory framework, the Conference of State Bank Supervisors said in a comment letter today. "Any final rule must enable the prompt identification and remediation of core risks to a bank's financial condition and its customers, connect rationally to an institution's supervisory ratings, and ensure management responsibility for violations of banking laws and regulations," said CSBS President and CEO Brandon Milhorn. "Effective supervision requires reasonable and disciplined discretion combined with transparent rules that promote accountability." Specifically, CSBS asked the agencies to ensure that any final rule: 1. Permits the issuance of Matters Requiring Attention (MRAs) based on a range of foreseeable risks that could pose material harm to an institution's financial condition; 2. Promotes management accountability for violations of law and regulation that could materially harm a bank's financial condition, operations, or customers; and,

	3. Establishes consistency across the banking industry by coordinating with state regulators and the Federal Reserve. State regulators will continue to work with the federal banking agencies to advance an appropriately tailored and durable supervisory framework. ***Comment: Our friends at Kennedy Sutherland published an informative article last October entitled FDIC and OCC Propose Historic Shift in Bank Supervision Standards that is a very good summary of what has been proposed.***
	OCC Issues Two Proposals on Preemption of State Interest-on-Escrow Laws (12/23/2025) – WASHINGTON—The Office of the Comptroller of the Currency (OCC) today requested comment on two proposals on national banks' and federal savings associations' real estate lending powers related to the payment of interest on funds held in escrow accounts. The OCC's actions emphasize federal preemption as a critical tool for reducing unnecessary burden, enabling local and national prosperity, and unleashing economic growth. The OCC is proposing to codify longstanding powers of national banks and federal savings associations to establish or maintain real estate lending escrow accounts and to exercise flexibility in making business judgment as to the terms and conditions of such accounts, including whether and to what extent to offer any compensation paid to customers or to assess any related fees. Codifying this longstanding power will provide clarity and reduce uncertainty with regards to bank escrow practices and may thereby incentivize increased bank real estate lending. Second, the OCC is proposing to issue a preemption determination concluding that federal law preempts state laws that eliminate national banks' and federal savings associations' flexibility to decide whether and to what extent to (1) pay interest or other compensation on funds placed in real estate escrow accounts; or (2) assess fees in connection with such accounts. Specifically, the proposed preemption determination would conclude that federal law preempts a New York interest-on-escrow law; 11 other states have laws with substantively equivalent terms; and these substantively equivalent state laws are also preempted. Comments on both proposals are due 30 days after publication in the *Federal Register*. Related Links ▪ Notice of Proposed Rulemaking: Real Estate Lending Escrow Accounts (PDF) ▪ Notice of Proposed Rulemaking: Preemption Determination: State Interest-on-Escrow Laws (PDF) ***Comment: Specifically, the proposals are related to interest payments on funds held in escrow accounts at national banks and federal savings associations. In this notice requesting stakeholder feedback on the proposed actions, the OCC positioned federal preemption as a critical tool for reducing burdens on financial institutions and driving economic growth.***

	FFIEC CRA Alert - 2026 CRA Data Entry Software Release 1 is Now Available (12/22/2025) – The 2026 CRA Data Entry Software Release 1 has been made available on the FFIEC CRA website. On behalf of the FFIEC, the Federal Reserve System designed the CRA Data Entry Software to assist respondents in automating the filing of their CRA data. The free software includes editing features to help verify and analyze the accuracy of the data. The data file created using this software can be submitted by one of the available submission methods listed in the software. You can view or update your subscriptions or e-mail address at any time on your User Profile Page. All you will need is your e-mail address. P.S. If you have any questions or problems visit subscriberhelp.govdelivery.com for assistance. ***Comment: The new software (2026 R1) is for reporting data for the 2026 reporting year, with a filing deadline of March 1, 2027.***

Technology / Security

	CISA Protecting Tokens and Assertions from Forgery, Theft, and Misuse (12/22/2025) – Cybersecurity and Infrastructure Security Agency (CISA) and National Institute of Standards and Technology (NIST) have released an initial draft of Interagency Report (IR) 8597 Protecting Tokens and Assertions from Forgery, Theft, and Misuse for public comment from December TBD, 2025–January 30, 2026. This report is in response to *Sustaining Select Efforts to Strengthen the Nation's Cybersecurity and Amending Executive Order 13694 and Executive Order 14144*, providing implementation guidance to help federal agencies and cloud service providers (CSPs) protect identity tokens and assertions from forgery, theft, and misuse. Recent cybersecurity incidents at major cloud service providers have focused on stealing, modifying, or forging identity tokens and assertions to gain access to protected resources. This report covers the controls for identity access management (IAM) systems that rely on digitally signed assertions and tokens when making access decisions. It discusses how CSPs and cloud consumers, including government agencies, can better define their respective roles and responsibilities for managing IAM controls in cloud environments. It establishes principles for both CSPs and cloud consumers, calling on CSPs to apply Secure by Design best practices, and to prioritize transparency, configurability, and interoperability, empowering consumers to better defend their diverse environments. It also calls upon federal agencies to understand the architecture and deployment models of their procured CSPs to ensure proper alignment with risk posture and threat environment. Comments on the report may be submitted to iam@list.nist.gov. Please visit NIST's site for more information. Please share your thoughts with us through this anonymous survey. We appreciate your feedback! ***Comment: The report focuses on the cryptographic objects that modern systems use to authenticate users, devices, and software services and to authorize access to applications and data. The report notes that these incidents are not caused by a single software flaw, but by a combination of weak key protection, overly broad trust relationships, and insufficient validation of token contents.***

Open for Comment

Included only when specific to or relevant for community banks to comment on. Date posted may not be the same as the Federal Register Date.

12.17.2025 **FDIC** Approval Requirements for Issuance of Payment Stablecoins by Subsidiaries of FDIC-Supervised Insured Depository Institutions SUMMARY: The Federal Deposit Insurance Corporation (FDIC) is soliciting comments on a proposal that would establish procedures to be followed by an insured State nonmember bank or State savings association (each, an FDIC-supervised institution) that seeks to obtain FDIC approval to issue payment stablecoins through a subsidiary pursuant to the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act). **DATES: Comments must be received by the FDIC no later than February 17, 2026.**

12.04.2025 **FRB** Requests Public Input on the Impact of Potential Strategic Changes to Check Services Provided by the Fed, as Well as Check Usage and Preferences SUMMARY: The Board of Governors of the Federal Reserve System (Board) seeks public input on questions related to the future of the Federal Reserve Banks' (Reserve Banks') check services. The Board will use responses to this request for information (RFI) to assess possible strategies for the future of the Reserve Banks' check services, including potentially substantial changes that may have longer run effects on the payments system. In addition, the Board will use responses to this RFI to analyze other actions that the Federal Reserve System could consider with respect to checks, in partnership with the industry, to support the overall safety and efficiency of the payments system. **DATES: Comments must be received by March 9, 2026.**

11.30.2025 Joint Regulatory Capital Rule: Revisions to the Community Bank Leverage Ratio Framework SUMMARY: The Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation are inviting public comment on a notice of proposed rulemaking (proposal) that would lower the community bank leverage ratio (CBLR) requirement for certain depository institutions and depository institution holding companies from 9 percent to 8 percent, consistent with the lower bound provided in section 201 of the Economic Growth, Regulatory Relief, and Consumer Protection Act. The proposal would also extend the length of time that certain depository institutions or depository 2 of 58 institution holding companies can remain in the CBLR framework while not meeting all of the qualifying criteria for the CBLR framework from two quarters to four quarters, subject to a limit of eight quarters in any five-year period. **DATES: Comments must be received by January 30, 2026.**

11.28.2025 **OCC** Request for Information Regarding Community Banks' Engagement with Core Service Providers and Other Essential Third-Party Service Providers SUMMARY: The OCC is issuing a request for information (RFI) on community bank engagement with their core service providers and other essential third-party service providers. The RFI seeks to better understand how challenges community banks face with such service providers affect these banks' abilities to remain competitive in a rapidly evolving marketplace, as well as what actions the OCC can take to address any of these challenges. **DATES: Comments must be received by January 27, 2026.**