



Community Bankers of Michigan Regulatory Dispatch

Timely news and resources community bankers can use

January 21, 2026

CFPB HMDA Filing Reminders and Tips

The following are some reminders and tips for preparing and uploading your Home Mortgage Disclosure Act (HMDA) data submission.

- **Reminder: The 2026 filing period has started.** Submission of data collected in 2025 will be considered timely if received on or before Monday, March 2, 2026.
- **Have a question?** Please submit inquiries to HMDA Help (hmdahelp@cfpb.gov) by Wednesday, February 25th for a timely response.
- **Resubmitting Data:** If you need to resubmit your file, login to the HMDA Platform and follow the same filing process you took with your original file. Only the last file will be counted as your final signed submission. Please ensure you keep a record of all submitted files. You can review the HMDA collection timelines here: [HMDA Data Collection Timelines | HMDA Documentation \(cfpb.gov\)](#)
- **Late filers can still submit data.** The HMDA Platform will remain open past March 2 for late submissions or resubmission. Filers can submit or resubmit their institution's data for three years after filing opens. You can submit your file here: <https://ffiec.cfpb.gov/filing>.
- **Have a name or email domain change?** Reach out to hmdahelp@cfpb.gov and they will assist you with an update.
- **Need to update contact information post submission?** After submission, if any of the respondent information in your Completed Filing Summary is incorrect, you will need to update the Transmittal Sheet row in your file and re-upload your file.
- **Valid Values for Income and Property Value:** "0" (Zero) is an accepted value for income. Additionally, decimal points are acceptable when reporting Property Value.
- **Curious about how to use HMDA Data?:** The [Beginners' Guide to Using HMDA Data](#) covers the basics of what HMDA data are and how to access the data, as well as a step-by-step guide for using HMDA data. The guide will instruct the user on how to find and download HMDA data, how to select subsets and filters for the data, how to analyze the

HMDA data using pivot tables, how to group data together, and how to match data across datasets.

Find additional answers to your filing questions here:

<https://ffiec.cfpb.gov/documentation/category/frequently-asked-questions/>.

Comment: HMDA data for 2025 must be submitted via the CFPB's Platform by March 2, 2026. With only a few months left before your filing deadline, now is a good time to plan the year-end HMDA scrub. The point of a HMDA Scrub is to compare specific data in the loan application register (LAR) to loan origination source systems (LOS) or physical loan documents.

CBM Insights

Q: We can place an exception hold on a redeposited check that had previously been returned as unpaid, no question there. However, when a check is returned due to NSF, we have the option to either re-run the check or charge it back to the account. If we decide to re-run the check, can we use an exception hold for this check, even though it has been more than 1 business day since the original deposit?

A: This gets complicated and is really a 'pattern of fact' question – is the check simply re-presented? Or is it re-deposited?

Clearly an item that is re-deposited could be subject to a Reg. CC hold like any other item – likely for a reasonable cause to doubt collectability. Note that if, for example, it was returned because it lacked an endorsement and that endorsement was obtained, that reason was 'cured' and is no longer a cause to doubt collectability. See below:

Reasonable cause to doubt collectability —

(1) ***In general.*** Sections 229.10(c) and 229.12 do not apply to a check deposited in an account at a depository bank if the depository bank has reasonable cause to believe that the check is uncollectible from the paying bank. Reasonable cause to believe a check is uncollectible requires the existence of facts that would cause a well-grounded belief in the mind of a reasonable person. Such belief shall not be based on the fact that the check is of a particular class or is deposited by a particular class of persons. The reason for the bank's belief that the check is uncollectible shall be included in the notice required under [paragraph \(g\)](#) of this section

But the same can't be said for an item that is simply re-presented.

What's the difference? Re-deposited item logically means the item was debited back to the account, any credit was revoked, and the item was returned to the account holder who in turn re-deposits the item and the bank accepts the item for deposit. A re-presented item likely meets none of those characteristics and it is difficult to argue that item was re-deposited.

Bank Management

FRB Beige Book (01/14/2026) – National Summary - Overall Economic Activity

Overall economic activity increased at a slight to modest pace in eight of the twelve Federal Reserve Districts, with three Districts reporting no change and one reporting a modest decline. This marks an improvement over the last three report cycles where a majority of Districts reported little change. Most banks reported slight to modest growth in consumer spending this cycle, largely attributed to the holiday shopping season. Several Districts also noted that spending was stronger among higher-income consumers with increased spending on luxury goods, travel, tourism, and experiential activities. Meanwhile, low to moderate income consumers were seen to be increasingly price sensitive and hesitant to spend on nonessential goods and services. Auto sales were little changed to down across most Districts. Manufacturing activity varied with five Districts reporting growth and six reporting contraction. Nonfinancial services demand was generally seen as steady to increasing somewhat. Banking conditions were generally reported as stable or improving, with some increased demand coming from credit cards, home equity loans, and commercial lending. Residential real estate sales, construction, and lending activity softened in the majority of Districts that report on the sector. Agriculture conditions were largely unchanged with only Atlanta reporting a modest decline due to weaker demand for exported commodities. Energy demand and production was flat to down slightly. Outlooks for future activity were mildly optimistic with most expecting slight to modest growth in coming months.

Labor Markets

Employment was mostly unchanged in the most recent period, with eight of the twelve Districts reporting no changes in hiring. Multiple Districts reported an increase in the usage of temporary workers, with one contact reporting this allows them "to stay flexible in uncertain times." When firms were hiring, it was mostly to backfill vacancies rather than create new positions. Firms reported continued challenges finding skilled labor, particularly in engineering, health care, and other trades. Several reports mentioned that fewer workers were switching jobs. Multiple contacts reported exploring AI implementation primarily for productivity enhancement and potential future workforce management. AI's current impact on employment was limited, with more significant effects anticipated in the coming years rather than immediately. Wages grew at a moderate pace, with multiple contacts reporting that wage growth had returned to "normal" levels.

Prices

Prices grew at a moderate rate across a large majority of Districts, with only two Districts reporting slight price growth. Cost pressures due to tariffs were a consistent theme across all Districts. Several contacts that initially absorbed tariff-related costs were beginning to pass them on to customers as pre-tariff inventories became depleted or as pressures to preserve margins grew more acute. But contacts in a few industries—like retail and

	restaurants—were reluctant to pass costs along to price-sensitive customers. Energy and insurance costs continued to be a significant strain on margins. Looking ahead, firms expect some moderation in price growth, but anticipated prices to remain elevated as they work through increased costs.
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BSA / AML

	No news to report this week.
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Deposit / Retail Operations

	<p>FTC Hang up on unexpected calls saying you owe back taxes. Those are scams (01/15/2026) – We’re seeing a big wave of reports about phone scams claiming you owe back taxes. But it’s not the IRS calling, it’s a scammer using a company name like “Tax Resolution Oversight Department.” If someone calls you out of the blue offering to help you fix a tax issue, hang up. Here’s how to spot the scam.</p> <p><i>Comment: The IRS also has a helpful webpage entitled Recognize Tax Scams and Fraud that could prove helpful in sharing with your customers, especially this time of year.</i></p>
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Human Resources

	No news to report this week.
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Lending

	<p>CFPB Notice of HMDA Email Service Discontinuation (01/16/2026) – There is an important upcoming change to how HMDA platform updates and announcements will be communicated. Due to operational constraints, the Consumer Financial Protection Bureau will discontinue its use of the GovDelivery email service on Tuesday, January 20, 2026. After that date, subscribers to the HMDA mailing list will no longer receive email notifications.</p> <p>We understand that staying informed of platform updates and announcements is important to you. Visit our website (https://ffiec.cfpb.gov/), as well as our HMDA Updates and Notes webpage (https://ffiec.cfpb.gov/updates-notes) to ensure you continue to have access to timely information. New updates will be tagged with an “Announcement” filter on the Updates and Notes webpage.</p> <p>We appreciate your understanding of these operational changes and encourage financial institutions to continue providing feedback on their experience using the HMDA platform. Please direct any questions regarding the HMDA platform to hmdahelp@cfpb.gov or https://hmdahelp.consumerfinance.gov/.</p>
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	<i>Comment: Be sure to share this notice with those in your bank responsible for HMDA compliance.</i>
	<p>Ballard Spahr Trump’s proposed 10% credit card interest cap: Key considerations (01/14/2026) - On January 9, 2026, President Donald Trump announced via Truth Social that he supports a temporary 10% cap on credit card interest rates (a concept raised during his 2024 presidential campaign), beginning on January 20, 2026. He described the proposal as an effort to address high credit card APRs and improve affordability for consumers.</p> <p>While interest rate caps are often viewed as consumer-friendly at a high level, the proposal raises a number of policy, market, and implementation considerations that merit closer examination.</p> <p>Scope and Implementation Uncertainty</p> <p>President Trump’s statement called for a one-year cap on credit card APRs at 10%, but did not specify how such a cap would be implemented. It remains unclear whether the proposal would rely on executive action, agency rulemaking, or congressional legislation. Under current law, a mandatory nationwide interest rate cap would likely require congressional action.</p> <p>The absence of detail and the abbreviated time frame for implementation suggests that the proposal is not intended to operate as a binding legal requirement but is instead intended to influence creditor behavior through public or political pressure.</p> <p>Market Considerations</p> <p>Credit availability.</p> <p>Credit card interest rates are a primary mechanism for pricing credit risk. A uniform 10% cap could limit the ability of issuers to extend credit to consumers whose risk profiles require higher pricing to offset expected losses and operating costs. In response, issuers may adjust underwriting standards, reduce credit limits, or narrow the populations to whom credit cards are offered.</p> <p>Product design and pricing adjustments.</p> <p>If interest rate flexibility is constrained, issuers may reassess other elements of card programs, including annual fees, rewards structures, and promotional offerings. These adjustments could affect consumer choice and the overall economics of card products, even for consumers who already qualify for relatively low APRs.</p> <p>Potential pressure to voluntarily reduce rates.</p> <p>Even without a binding legal mandate, the proposal raises the question of whether card issuers may face expectations to voluntarily reduce interest rates in response to public</p>

	<p>statements or political momentum. At present, it is unclear whether such pressure would be short-lived or sustained, or how uniformly it would be applied across the market.</p> <p>Voluntary Rate Reductions Under Existing Law</p> <p>Current regulatory frameworks already allow creditors to voluntarily reduce interest rates for limited periods, including as part of promotional offerings or consumer hardship programs. Many issuers use these tools today to provide temporary relief or targeted incentives without fundamentally altering long-term pricing models.</p> <p>If creditors choose to voluntarily lower rates in response to market or political developments, it would be prudent to structure those reductions as clearly defined, time-limited measures that allow rates to revert to existing levels once the applicable period ends. Doing so helps preserve pricing flexibility and program consistency over time.</p> <p>Conclusion (for now)</p> <p>President Trump’s proposal to cap credit card interest rates at 10% has generated significant attention but leaves open important questions regarding implementation, scope, and market impact. Whether pursued through legislation or reflected in voluntary market responses, a uniform 10% rate cap would invariably have a significant adverse impact on credit availability, product design, and consumer choice.</p> <p>Existing regulatory structures already provide mechanisms for temporary or targeted rate reductions. Any broader shift toward lower pricing, whether mandatory or voluntary, will require careful calibration to balance affordability objectives with sustainable access to credit.</p> <p><i>Comment: There would be severe unintended consequences from such a move, namely that credit card companies would issue fewer credit cards, significantly lower credit limits, or shift credit card balances into installment loans, all of which would drive consumers towards other, less desirable and even financially harmful options.</i></p>
	<p>HousingWire Rising insurance costs and the mortgage affordability crisis: How lenders can help (01/15/2025) – In today’s housing market, affordability is no longer just about interest rates. While mortgage principal, interest and property taxes have all increased in recent years, property insurance costs have surged at a much faster pace, becoming the fastest-growing portion of mortgage payments for homeowners. This trend is reshaping the financial landscape for borrowers and presenting both challenges and opportunities for mortgage lenders.</p> <p>The impact of property insurance on affordability</p> <p>American homeowners are spending 29.7% of their monthly income on mortgage payments, according to the December 2025 Mortgage Monitor report. That’s nearly double the 16% recorded in January 2013. Meanwhile, property insurance costs have risen</p>

4.9% in first half of 2025 alone, 11.3% annually, and nearly 70% over the past five and a half years.

The property insurance costs surge has disproportionately affected homeowners in flood-prone and climate-risk zones, such as hurricane corridors and wildfire-prone regions. These homeowners face higher premiums, fewer coverage options and greater financial strain, especially as the cost of food, energy and other necessities continues to climb.

What's driving property insurance inflation?

According to the [September 2025 Mortgage Monitor report](#), when breaking down the data, average property insurance payments have risen more than twice as fast as increases in principle (+23%), interest (+27%) and property taxes (+27%) since 2019. The average single-family mortgage holder now pays nearly \$2,370 annually for property insurance, which accounts for a record 9.6% average of total mortgage-related expenses.

Several factors are fueling this inflation:

- **Rising home values:** From an average of \$371,000 in 2020 to \$512,800 by Q2 2025, higher property values require more coverage, driving up premiums.
- **Environmental hazards:** Natural disasters, such as hurricanes, wildfires and floods, have caused catastrophic damage, increased claims and prompted insurers to raise rates or withdraw from high-risk markets.
- **State regulations:** In states where insurers have left due to regulatory constraints, reduced competition and elevated risk have also contributed to higher premiums.

How lenders can help borrowers navigate rising costs

As property insurance and tax burdens grow, lenders must evolve from transactional entities to proactive partners to help borrowers stay in their homes. Here's how:

- **Leverage integrated technology for real-time insights:** Lenders need integrated mortgage platforms that combine origination, servicing and real-time data to track changes in monthly payments and spot signs of borrower distress. ICE is currently connecting its core systems, [Encompass®](#) and [MSP®](#), so loan data can flow seamlessly throughout the entire process.
- **Automate borrower identification and prioritize outreach:** Advanced analytics can help lenders identify borrowers that could be at risk. ICE Dialer Optimizer combines risk ranking—powered by behavioral models—with payment history to facilitate timely collection and counseling strategies. This approach gives lenders the opportunity to offer tailored solutions to borrowers before they fall behind.
- **Support borrowers with self-service tools:** Modern servicing apps like [ICE Servicing Digital](#), which allow borrowers to engage with their lender and shop for insurance, compare deductible options, and potentially find more affordable coverage – all within their loan management portal.
- **Facilitate insurance shopping and coverage optimization:** By connecting borrowers with insurers through embedded platforms and Application Programming Interfaces (APIs), lenders can help homeowners optimize coverage and possibly reduce premiums. This can benefit both parties: borrowers may be

	<p>able to save money, which would also allow lenders to reduce the risk of default and servicing costs.</p> <p><i>Comment: In November, NPR posted an article entitled It's harder to get home insurance. That's changing communities across the U.S. that provides interesting context to insurance affordability.</i></p>
	<p><u>HUD Implementation of the Fair Housing Act's Disparate Impact Standard</u> (01/14/2026) - The U.S. Department of Housing and Urban Development wants to eliminate its disparate impact regulation, shifting Fair Housing Act enforcement to the courts. Disparate impact refers to policies or practices that appear neutral but disproportionately and unintentionally affect protected groups, even without discriminatory intent.</p> <p><i>Comment: The specific proposals are to: 1) Remove 24 CFR part 100, subpart G, which contains the disparate impact rule in section 100.500; and 2) Remove the second sentence of 24 CFR § 100.5(b), which currently provides as follows: "This part provides the Department's interpretation of the coverage of the Fair Housing Act regarding discrimination related to the sale or rental of dwellings, the provision of services in connection therewith, and the availability of residential real estate-related transactions. The illustrations of unlawful housing discrimination in this part may be established by a practice's discriminatory effect, even if not motivated by discriminatory intent, consistent with the standards outlined in § 100.500."</i></p>
	<p><u>CFPB and the Department of Justice Withdraw Joint Statement on Fair Lending and Credit Opportunities for Noncitizen Borrower</u> (01/12/2025) – Washington, D.C. – The Consumer Financial Protection Bureau and the Department of Justice (together, the "agencies") announced that they have withdrawn a joint statement regarding the implications of a creditor's consideration of an individual's immigration status under the Equal Credit Opportunity Act (ECOA).</p> <p>On October 12, 2023, the agencies published a joint statement cautioning that creditor policies related to an applicant's immigration or citizenship status could, in certain circumstances, run afoul of ECOA's and Regulation B's prohibition of discrimination on the basis of protected classes, including race and national origin. The agencies withdrew the joint statement to avoid any conflict with the express language of ECOA and its implementing regulation, Regulation B.</p> <p>"For decades, ECOA regulations have permitted lenders to consider a borrower's lawful residence status and other information necessary to protect their rights and remedies with respect to repayment," said Acting Director Russell Vought at the Consumer Financial Protection Bureau. "We are correcting the last administration's attempt to ignore these well-accepted and common-sense principles of our nation's fair lending laws."</p> <p>"The federal government is committed to avoiding statements that could confuse the law or imply compliance standards for civil rights laws that lack any statutory or regulatory basis," said Assistant Attorney General Harmeet K. Dhillon at the Justice Department's Civil</p>

	<p>Rights Division. “This administration is restoring alignment with established federal civil rights law rather than continuing the prior administration’s ideologically-driven departures.”</p> <p>ECOA and Regulation B respectively permit creditors to consider pertinent elements of credit-worthiness and information necessary to protect creditor rights and remedies, including a borrower’s immigration or citizenship status. The agencies also believe withdrawal is appropriate to avoid any confusion that lenders may legitimately consider immigration status under several circumstances, including when necessary to avoid financial risks and to comply with other laws. In addition, withdrawal is appropriate to address any misimpression that the joint statement interprets 42 U.S.C. § 1981 to confer any liability under the statute that has not already been recognized by courts. Finally, the agencies believe withdrawal is appropriate to avoid any unnecessary burdens from new or increased compliance efforts.</p> <p>Read the Withdrawal of Joint Statement on the Equal Credit Opportunity Act and Noncitizen Borrowers.</p> <p><i>Comment: The withdrawal was based on concerns that the joint statement (1) “may have created the impression that either ECOA or the statement itself imposes limitations on the consideration of immigration or citizenship status when evaluating an application for credit [when] [n]o such limitation exists” and (2) was not consistent with the CFPB’s revised policy on issuing guidance documents that was announced in May 2025.</i></p>
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Technology / Security

	No news to report this week.
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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.**