

Regulatory Dispatch

Timely news and resources community bankers can use

CSBS [Q3 2025 CBSI Survey Results](#) - Community Banker Optimism Reaches New High

Washington, D.C. – Community banker sentiment reached a peak in the third quarter results of the Conference of State Bank Supervisors (CSBS) Community Banking Sentiment Index (CBSI).

The latest CBSI gained seven points from last quarter to 133 points, a record high since the survey's inception in 2019. The monetary policy indicator also reached an all-time high, improving 16 points to 130. Expected future business conditions was the only component pulling the index down, although this measure improved seven points from last quarter and now sits just below the neutral level of 100.

The Uncertainty Index, computed by the summation of “I don't know/unsure” responses, rose mostly in the monetary policy and future business conditions indicators.

“The overall index's boost is largely due to expectations that the Federal Reserve's monetary policies would result in better market conditions,” said CSBS Chief Economist Tom Siems. “While overall community banker sentiment has been surprisingly robust this year, uncertainty is rising again as future business conditions and interest rate movements remain cloudy.”

The CBSI surveys community bankers nationwide in the last month of each quarter to capture their thoughts on future economic conditions in seven areas. An index reading of 100 indicates a neutral sentiment. Anything above 100 indicates a positive sentiment, and anything below 100 indicates a negative sentiment.

In the open-ended comments, community bankers mentioned concerns driving their outlook: tariffs, immigration, low agricultural prices, labor shortages, rising insurance costs, potential inflation, geopolitical risks, and competition from nonbanks.

A total of 255 community bankers from 44 states responded to the survey. Quarterly results are included in the Federal Reserve Economic Data, the online database maintained by the Federal Reserve Bank of St. Louis, known informally as the FRED.

Key Highlights

- At 133, the third quarter 2025 CBSI advanced seven points from the second quarter 2025 value and reached a new record high since the survey's inception in 2019. The latest CBSI is up 23 points from one year ago.

- At 145, the profitability component remained unchanged from last quarter's level, but remains near its all-time high of 152 recorded six months ago.
- At 130, the monetary policy component hit a new all-time high, improving 16 points from 114 last quarter. The indicator has been in positive territory (above 100) since the end of 2023.
- At 114, the regulatory burden component inched up one point from the previous quarter. This component stayed above 100 for only the third time in the survey's history. The regulatory burden indicator was below 30 for fifteen consecutive quarters from early 2021 to late 2024 but is up 94 points from one year ago, contributing about 13 points of the 23-point increase in the overall CBSI from last year's value of 110.
- In the open-ended comments, community bankers mentioned numerous concerns driving economic uncertainty and their outlook, including tariffs, immigration, low agricultural prices, labor shortages, rising insurance costs, potential inflation, geopolitical risks, and competition from nonbanks.

Comment: Community bankers across the nation ranked net interest margins as their highest external risk, followed by core deposit growth. Economic conditions, the cost of technology, and cost of funds were essentially tied as their third highest risk. Meanwhile, they expressed less concern about regulatory impact. Regulation, which was tied as the top external risk in the 2024 survey, fell to the sixth spot. In terms of internal risks, cybersecurity once again topped the list. Indeed, the share of community bankers reporting this as an extremely important risk (58%) surpassed all other risks—both external and internal—by a healthy margin. Technology implementation and related costs ranked second, while credit replaced liquidity in the third spot.

EGRPA Grassroots Comment Letters Due This Week

Community bankers are urged to [submit comment letters by Oct. 23](#) on the final round of the banking agencies' Economic Growth and Regulatory Paperwork Reduction Act (EGRPA) of 1996 review. EGRPA requires the federal banking agencies to review their regulations every 10 years to identify outdated, unnecessary, or unduly burdensome regulations, allowing community bankers to articulate concerns with regulatory burden and its impact on local communities.

How To Submit a Letter:

- ICBA's [Be Heard grassroots action center](#) offers a guide to help community bankers submit letters on regulatory burden concerns.
- Community bankers can also use the guide to deliver oral comments, either virtually or at an in-person public outreach meeting on Oct. 30 in Kansas City. (Registration is required by Oct. 22.)

- The banking agencies are seeking comments on three categories for this final round: banking operations, capital, and the Community Reinvestment Act.

Bank Management

FRB [Community Banking: Looking Toward the Future Vice Chair for Supervision Michelle W. Bowman](#) (10/09/2025) – *So, what is a community bank for this purpose? Generally, the regulatory framework uses the blunt tool of fixed asset thresholds. We know that relying solely on fixed asset thresholds is imperfect, at best. They fail to account for economic growth and inflation over time, resulting in firms with stable growth, consistent business models, and no change in risk profile crossing asset thresholds. These firms become subject to increasingly complex and burdensome regulatory requirements and supervisory expectations. This is clearly not the intended or desired outcome, in that crossing these fixed thresholds has the unintended consequence of "pushing down" standards designed for larger and more complex banks to smaller and less complex ones. Compounding this problem is the overlapping and inconsistent thresholds used to define banks of different sizes and engaged in different activities. We should ask whether this additional complexity is necessary or even helpful, and to what extent it impairs economic growth.*

A simple fix would be for policymakers to adjust the community bank and other thresholds based on growth—and apply that adjusted threshold consistently—indexed to adjust for future growth. This approach would preserve the policy choice established when the threshold was initially set.

Defining a community bank is an important first step, but it is just that, a first step. The next question is how to appropriately tailor regulations for these and other firms. Over the years, I have supported an approach to regulation grounded in asking some simple—but critical—threshold questions. What problem does each new and existing regulation solve? What are the costs of this approach? And importantly, what alternative approaches are available? When we look back at existing regulations, we can clearly identify areas for improvement. For example, the community bank leverage ratio, or "CBLR," was designed as an optional alternative framework to risk-based capital requirements for community banks. A community bank that opts into the CBLR framework and complies with the established ratio is deemed to comply with risk-based capital requirements.

But if we look back at the history of the CBLR, the agencies approached the task of calibration primarily by evaluating how many banks would be eligible to opt in and calibrating the requirement to maintain the same high level of capital in this population of banks. In my view, this approach failed to achieve the relief Congress intended, and more fundamentally, failed to answer the critical questions we must consider in the rulemaking process.

Comment: *In an August 2025 speech, Gov. Bowman discussed potentially reducing the framework's minimum Tier 1 leverage ratio threshold to 8 percent. If reduced, the*

	<i>estimated percentage of community banks eligible to elect the framework would increase from 83 percent to 95 percent as of June 30, 2025.</i>
	FDIC Consolidated Reports of Condition and Income for Third Quarter 2025 (10/09/2025) – This Financial Institution Letter and the attached Supplemental Instructions for the September 30, 2025, report date should be shared with the individual(s) responsible for preparing the Call Report at your institution. There are no new data items that take effect this quarter in the FFIEC 031, FFIEC 041 or FFIEC 051 Call Report forms. Institutions should refer to the attached Supplemental Instructions for September 2025 for additional guidance on certain reporting issues. The Call Report forms for September 30, 2025, are available for printing and downloading from the FFIEC’s Reporting Forms webpage for each version of the Call Report. These forms can also be accessed from the FDIC’s Bank Financial Reports webpage. Except for certain institutions with foreign offices, your completed Call Report must be submitted electronically to the Central Data Repository (CDR) no later than 30 days after the current quarter’s report date. An institution with more than one foreign office, other than a “shell” branch or an International Banking Facility, is permitted an additional <i>five</i> calendar days to electronically submit its Call Report data. See the chart below for current and upcoming Call Report submission deadlines. To enhance and implement baseline security requirements for federal information systems, the FFIEC is adding multifactor authentication (MFA) to the CDR application. In August 2025, notifications were sent from the CDR to all users (both bank and other public users of the CDR) with updated login instructions. On August 25, 2025, on a phased-in basis that will continue into the fourth quarter of 2025, users began receiving email invitations from invites@microsoft.com with a link to accept the invitation and register for MFA. For those who have received an individual notification and need assistance with the MFA registration process contact the CDR Helpdesk at cdr.help@cdr.ffiec.gov. James M. Gallagher Senior Deputy Comptroller for the Office of the Chief National Bank Examiner Office of the Comptroller of the Currency Mary Aiken Acting Director Division of Banking Supervision and Regulation Board of Governors of the Federal Reserve System

	Ryan E. Billingsley Director Division of Risk Management Supervision Federal Deposit Insurance Corporation <i>Comment: Pass along to those responsible for preparing your bank's Call Report.</i>
	Joint Agencies Issue Proposal to Prohibit Use of Reputation Risk by Regulators (10/07/2025) – WASHINGTON – The Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation (the agencies) issued a joint notice of proposed rulemaking that would codify the elimination of reputation risk from their supervisory programs. The proposed rule would define “reputation risk” and prohibit the agencies from criticizing or taking adverse action against an institution on the basis of reputation risk. The proposed rule would also prohibit the agencies from requiring, instructing, or encouraging an institution to close customer accounts or take other actions on the basis of a person or entity’s political, social, cultural, or religious views or beliefs, constitutionally protected speech, or solely on the basis of politically disfavored but lawful business activities perceived to present reputation risk. This proposed rulemaking would also respond to concerns expressed in Executive Order 14331, Guaranteeing Fair Banking for All Americans, that the use of reputation risk can be a pretext for restricting law-abiding individuals’ and businesses’ access to financial services on the basis of political or religious beliefs or lawful business activities. Comments on the attached proposal are due 60 days after the date of publication in the Federal Register. Attachment(s) Notice of Proposed Rulemaking on Prohibition on Use of Reputation Risk by Regulators (PDF) <i>Comment: Under the NPR, each agency would be prohibited from, among other actions: taking any adverse action against a supervised institution (1) on the basis of reputation risk, or (2) “that is designed to punish or discourage an individual or group from engaging in any lawful political, social, cultural, or religious activities, constitutionally protected speech, or, for political reasons, lawful business activities that the supervisor disagrees with or disfavors”; and requiring, instructing, or encouraging a supervised institution to take any action or refrain from taking any action with respect to a person or entity, (1) on the basis of reputation risk, (2) on the basis of the person’s or entity’s “political, social, cultural, or religious views or beliefs, constitutionally protected speech,”</i>

	<i>or (3) “solely on the basis of the person’s or entity’s involvement in politically disfavored but lawful business activities perceived to present reputation risk.”</i>
	Joint Agencies Issue Proposal to Focus Supervision on Material Financial Risks (10/07/2025) – WASHINGTON – The Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation (the agencies) issued a joint notice of proposed rulemaking that would continue their effort to focus supervision on material financial risks. Among other things, the proposal would define the term “unsafe or unsound practice” for purposes of section 8 of the Federal Deposit Insurance Act and revise the supervisory framework for the issuance of matters requiring attention (MRAs) and other supervisory communications. By establishing a uniform definition for the term “unsafe or unsound practice” for the purposes of the agencies’ enforcement and supervisory authority under 12 U.S.C. 1818, the proposed rule would promote greater clarity and certainty regarding certain enforcement and supervision standards and ensure bank supervisors prioritize concerns related to material financial risks over those regarding policies, process, documentation, and other nonfinancial risks. The proposed rule would also establish uniform standards for when and how the agencies may communicate MRAs and non-binding supervisory observations as part of the examination process. Finally, the proposal would provide for the tailoring of enforcement actions and MRAs. Comments on the attached proposal are due 60 days after the date of publication in the <i>Federal Register</i>. Attachment(s) Notice of Proposed Rulemaking to Define “Unsafe or Unsound Practice” and to Revise the Framework for Issuing Matters Requiring Attention (PDF) <i>Comment: Section 8 of the Federal Deposit Insurance Act permits the Agencies to take enforcement action when an insured depository institution or institution-affiliated party (“IAP”) is, among other things, “engaging or has engaged, or the agency has reasonable cause to believe . . . is about to engage, in an unsafe or unsound practice in conducting the business of such depository institution.” Section 8 does not define an unsafe or unsound practice, and, until the NPRM, the Agencies had not sought to adopt a definition through formal rulemaking.</i>
	OCC Comptroller Issues Statement on Areas of Focus as FDIC Board Member (10/07/2025) – WASHINGTON—Comptroller of the Currency Jonathan V. Gould issued the following statement at the Federal Deposit Insurance Corporation’s (FDIC) board meeting about his areas of focus in his capacity as an FDIC board member:

Thank you for the warm welcome to the FDIC board. I am very excited to work with Acting FDIC Chairman Hill and Director Vought to advance the President's agenda on matters both interagency and FDIC-specific. With respect to the former, we will be considering several interagency initiatives today in which the OCC and FDIC teams worked collaboratively and that exemplify how the interagency process works best. With respect to FDIC-specific matters, I intend to focus on and look forward to working with the Acting Chairman on the following areas:

1. Rebuilding resolution execution capabilities. I want to distinguish specifically here between resolution "execution"—the ability to take actions that facilitate orderly resolution—and resolution "planning"—the hypothetical exercise of how an organization would or should fail. I am skeptical of the efficacy of the latter as well as, in some cases, the legality of related agency requirements and expectations. On the other hand, resolution execution is one of the FDIC's core functions, and I will be focused on ensuring that the FDIC has the capabilities to carry out these core functions effectively. Relatedly, and as I have previously said in Congressional testimony following the bank failures of 2023, I believe greater transparency into the FDIC's actions during that time should inform our efforts to improve its resolution execution in the future.

2. Clarifying the agency's approach to the management of the Deposit Insurance Fund. The methodologies employed by the agency to calculate insurance premiums or determine ratings that affect premiums, whether in the ordinary course or for special assessments, have, at times, lacked clarity and have spawned litigation, gaming or both. Insurance premiums should be clear, fair, and designed to limit market distortions.

3. Addressing remaining issues around agency culture. I know the FDIC has already taken a number of steps under Acting Chairman Hill's leadership to address these past abuses and restore a culture of accountability. I look forward to supporting his continued reform efforts.

4. Reforming the FDIC's process for evaluating deposit insurance applications. The agency's approach since the Financial Crisis has been an impediment to the chartering of new banks in this country. This needs to change if we want to restore a dynamic banking system. As the statutory factors for granting deposit insurance are largely taken into account by the chartering authority, the FDIC should perform a circumscribed review, as it did in the years following the enactment of FDICIA. The OCC is committed to collaborating with the FDIC to align and improve upon our de novo bank application process. It is vitally important for all federal banking agencies to have clear and transparent application processes with established timeframes that are actually followed absent extraordinary circumstances, whether for chartering, deposit insurance, business combinations, or other applications.

5. Supporting state bank preemption rights. Federal preemption is not the exclusive purview of the federal banking system. In the 1997 amendments to the Riegle-Neal Act, Congress put state banks on parity with national banks when it comes to preemption of state laws affecting host state branches. Similarly, state banks benefit from interest rate

	<i>preemption under Section 27 of the FDI Act. State banks should get the benefit of this federal preemption, and I encourage the FDIC to take additional steps to support these Congressionally-granted rights.</i> <i>6. Updating our understanding of bank funding. The FDIC, like the OCC, still utilizes funding and deposit categories that do not have clear predictive value when it comes to managing liquidity risk. We should re-examine these antiquated notions and develop a more flexible predictive framework going forward, including for assessments.</i> <i>7. Supporting community banks. The FDIC supervises more community banks than any other federal banking agency. These institutions are vitally important to our economy and our local communities. For too long, regulation and supervision have been insufficiently tailored for community banks, which has hampered their ability to serve our communities and drive economic growth. The Acting Chairman is already taking steps to deliver relief on this front. I support these efforts, and the OCC is moving in similar fashion.</i> <i>I thank the Acting Chairman for his indulgence in letting me outline my areas of focus, and I look forward to working with him and Director Vought on these and other matters. I am confident that the FDIC is now back on track under the Acting Chairman's leadership.</i>
	OCC Announces Actions to Reduce Regulatory Burden for Community Banks (10/06/2025) – WASHINGTON—The Office of the Comptroller of the Currency (OCC) announced guidance to banks and proposed rulemakings to reduce regulatory burden for community banks. These actions build upon the OCC's continued efforts to tailor its regulatory and supervisory frameworks to minimize burden for its regulated institutions and promote economic growth. "Community banks have an outsized impact on lending and are vital to the strength of the U.S. economy. Today's actions relieve these banks of regulatory burden and unproductive reporting requirements, so they are better positioned to support their communities and drive economic growth," said Comptroller of the Currency Jonathan V. Gould. "The OCC will continue to tailor our risk-based supervision to focus on material financial risk." In two bulletins, the OCC clarified examination procedures for community banks. The OCC announced it is removing fixed examination requirements for community banks and instead tailoring the examination scope and frequency to be consistent with risk-based supervision. This approach reduces supervisory burden, maintains the value of the federal charter and preserves banks' safety and soundness while ensuring regulatory oversight does not distract banks from serving their communities. The OCC also announced that it will only use the core assessment standards in the Community Bank Supervision booklet of the Comptroller's Handbook to examine for retail nondeposit investment products. In a separate bulletin, the OCC clarified its expectations that community banks should tailor model risk management practices commensurate with the bank's risk exposures, its business activities, and the complexity and extent of its model use. In particular, the

bulletin highlights that the OCC's model risk management guidance does not impose prescriptive requirements, such as annual model validations. The OCC is also considering additional steps to enhance flexibility and reduce burden related to model risk management. This bulletin is just the first step in refining model risk management guidance for all of the OCC's regulated institutions.

The OCC also requested comments on two proposed rules. The OCC proposed rescinding its Fair Housing Home Loan Data System regulation, removing largely duplicative data collection requirements for national banks. The proposal would eliminate regulatory burden for banks without having a material impact on the availability of data necessary for the OCC to conduct its fair housing-related supervisory activities. The OCC also proposed broadening eligibility for expedited or reduced licensing procedures to community banks. This proposal would reduce the burden for community banks and tailor requirements to the size and risk profile of an institution. These proposed changes are intended to facilitate an increase in corporate activities and transactions by community banks.

The OCC will continue to prioritize reforms targeted to community banks ahead of broader reforms for the industry. Ongoing work includes adjusting the community bank leverage ratio framework and a simplified strategic plan process for community banks to comply with the Community Reinvestment Act.

Related Links

- [Bulletin 2025-24, "Examinations: Frequency and Scope"](#)
- [Bulletin 2025-25, "Retail Nondeposit Investment Products"](#)
- [Bulletin 2025-26, "Model Risk Management: Clarification for Community Banks"](#)
- [Bulletin 2025-27, "Rescission of 12 CFR 27, 'Fair Housing Home Loan Data System': Notice of Proposed Rulemaking"](#)
 - [Notice of Proposed Rulemaking, Fair Housing Home Loan Data System](#) (PDF)
- [Bulletin 2025-28, "Community Bank Licensing Amendments; Notice of Proposed Rulemaking"](#)
 - [Notice of Proposed Rulemaking, Community Bank Licensing Amendments](#) (PDF)

Comment: Most notably, effective January 1, 2026, the OCC announced it would eliminate some examination activities not required by statute or regulation for community banks to reduce supervisory burden. Specifically, instead of using fixed examination requirements, bank examiners will tailor the scope and frequency of examinations to each bank's size, complexity and risk profile. The announcement included an appendix of OCC examinations and activities under the agency's current policy, including the minimum examination frequency.

BSA / AML

	FinCEN Issues Frequently Asked Questions to Clarify Suspicious Activity Reporting Requirements (10/09/2025) – WASHINGTON —The U.S. Department of the Treasury’s Financial Crimes Enforcement Network (FinCEN) issued answers to four Frequently Asked Questions (FAQs) to clarify certain requirements related to suspicious activity reports (SARs). By issuing these FAQs, FinCEN is ensuring financial institutions are not needlessly expending resources on efforts that do not provide law enforcement and national security agencies with the critical information they need to detect, combat, and deter criminal activity. FinCEN issued the FAQs jointly with the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency. “SARs should deliver better outcomes by providing law enforcement the most useful information—not by overwhelming the system with noise,” said Under Secretary for Terrorism and Financial Intelligence John K. Hurley. “Compliance requires real resources, and that’s why prioritization is crucial. At Treasury, we will continue to reform our Anti-Money Laundering and Countering the Financing of Terrorism framework to de-prioritize low-value activity and direct compliance resources towards the most significant threats to our country.” The FAQs clarify regulatory requirements relating to structuring SARs, continuing activity reviews, and a financial institution’s decision not to file a SAR and were informed by feedback from financial institutions. The answers to these FAQs can assist financial institutions with their compliance obligations while enabling institutions to focus resources on activities that produce the greatest value to law enforcement agencies. SAR FAQs: https://www.fincen.gov/system/files/2025-10/SAR-FAQs-October-2025.pdf <i>Comment: These FAQs do not eliminate compliance risk or even reduce the compliance burden. Instead, the FAQs help refine expectations regarding how risks must be managed and explained. While the FAQs promote judgment and flexibility, they also leave in place subjective expectations that banks must demonstrate the appropriate use of judgment through structured documentation and audit-ready evidence.</i>
	FinCEN Renews Residential Real Estate Geographic Targeting Orders (10/09/2025) – WASHINGTON—The U.S. Department of the Treasury’s Financial Crimes Enforcement Network (FinCEN) announced the renewal of its Geographic Targeting Orders (GTOs) that require U.S. title insurance companies to identify the natural persons behind shell companies used in non-financed purchases of residential real estate. The GTOs are effective beginning October 10, 2025. On September 30, 2025, FinCEN announced a postponement of the reporting requirements of the reporting requirements of the Anti-Money Laundering Regulations for Residential Real Estate Transfers Rule (RRE Rule) until March 1, 2026. In light of the RRE Rule’s reporting requirements, the residential real estate GTOs will expire on February 28,

	2026, with the GTOs continuing to provide valuable data on the purchase of residential real estate by persons possibly involved in various illicit enterprises. These renewed GTOs continue to cover certain counties and major U.S. metropolitan areas in California, Colorado, Connecticut, Florida, Hawaii, Illinois, Maryland, Massachusetts, Nevada, New York, Texas, Washington, Virginia, and the District of Columbia. No changes have been made to jurisdictional coverage since the last issuance of these GTOs. The purchase price threshold likewise remains \$300,000 for each covered metropolitan area, with the exception of the City and County of Baltimore, where the purchase price threshold is \$50,000. FinCEN appreciates the continued assistance and cooperation of title insurance companies and the American Land Title Association in protecting the real estate market from abuse by illicit actors. Any questions about the Orders should be directed to www.fincen.gov/contact. A copy of the Order is available here. Frequently asked questions regarding these GTOs are available here. <i>Comment: While not targeting banks specifically, these GTOs do reflect money laundering risks in those associated geographies that are worth paying attention to in a risk-based approach.</i>
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Deposit / Retail Operations

	FRB Announces Expanded Operating Days of Two Large-Value Payments Services, Fedwire® Funds Service and The National Settlement Service (NSS), To Include Sundays And Weekday Holidays (10/09/2025) – The Federal Reserve Board on Thursday announced expanded operating days of two large-value payments services, Fedwire® Funds Service and the National Settlement Service (NSS), to include Sundays and weekday holidays. The Reserve Banks will implement this expansion in several years, no earlier than 2028 to ensure operational and industry readiness. Currently, both the Fedwire Funds Service and NSS operate Monday through Friday, excluding holidays. Once the expansion announced is implemented, the Reserve Banks will operate both services Sunday through Friday, including weekday holidays. The operating hours each day will remain the same, with the Fedwire Funds Service open 22 hours per day, and NSS open 21.5 hours per day. Moving forward, the Board will monitor demand for a potential further expansion of operating hours to seven days per week. If the Board decides in the future to propose such an expansion, it will seek public comment in a new proposal. The Fedwire Funds Service is a wholesale payment service that allows participating banks and credit unions to send and receive individual electronic funds transfers up to \$10
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	billion. NSS is a settlement service for participants in private-sector clearing arrangements, such as check clearinghouses, a private-sector automated clearinghouse network, and securities settlement systems. The announcement does not include changes to the Fedwire Securities Service or the Federal Reserve's retail services including FedACH or FedNow® Service. <i>Comment: 'In the blockchain space, where meme coins like Dogecoin or newer Solana-based tokens trade 24/7 without batting an eye, this feels like TradFi playing catch-up. Crypto networks don't take weekends off—decentralized finance (DeFi) platforms run non-stop, allowing instant settlements across borders. As one reply to the tweet put it, "24/7 is the future." Another user quipped about watching the Fed "scramble to catch up to 24/7 defi rails," highlighting how blockchain has set the bar high.'</i> - Fed Expands Fedwire and NSS to Sundays and Holidays: What It Means for Crypto and Meme Coins.
	FDIC Consumer News - Protect Your Finances and Identity Online (10/07/2025) – According to the Federal Bureau of Investigation (FBI), cybercrimes are becoming increasingly common and many use sophisticated techniques. Preventing cybercrime requires consumers who are connected to the internet with a smart phone or computer to be aware and on guard. Most cyber criminals have two main goals – to steal your money and your identity. Knowing how to spot malicious cyber activities, how they work, and what you can do, are important to help protect yourself and your finances. Here is how to protect your personal and financial information: Protect yourself when connecting to a public Wi-Fi network. Public Wi-Fi networks such as those offered by restaurants, cafes, or airports; may not use strong encryption or other security features, making them vulnerable to hackers. If possible, avoid making sensitive transactions, including purchases, on public networks. Also, you may consider using a virtual private network (VPN). Don't send payments to unknown people or organizations. Never send electronic payments to people or organizations you are not familiar with, especially if they pressure you. Don't open email or text messages from people or organizations you don't know. If you are unsure whether an email or text you received is legitimate, try contacting the sender directly via other means, such as going to the official website or calling a customer service number on a bill or credit card. Do not click on any links, pictures, or videos in an email or text unless you are sure it is safe. Check the website addresses. Malicious website addresses may appear almost identical to legitimate sites. Scammers often use a slight variation in spelling or logo to lure you. It is also possible for search engines to provide advertisement links to malicious websites that appear similar to the one you are looking for. Malicious links can also come from friends whose email has unknowingly been compromised, so be careful and confirm a website address is accurate before clicking on it.

	Secure your personal information. Don't provide any personal information, such as your date of birth, Social Security number, account numbers, or passwords to any person who contacts you. It could be a spoofing or phishing scheme. Legitimate organizations will never contact you unexpectedly to ask for that information. If you are uncertain, contact the organization directly through their official contact information to share information if needed. Don't share personal information in online profiles and social media accounts. Sharing personal things like birthdates, pets' names, family members' names, locations and addresses, or employment information can give cyber criminals the hints they need to guess your passwords. FDIC Consumer News: Your Bank and Social Media has additional tips. Use strong and unique passphrase or password for each online account. Strong passwords are critical to online security. Unique passwords will help isolate unauthorized access to online accounts, if one were to occur. Furthermore, periodically changing your passphrase or password is a proactive practice to mitigate security breaches to your important accounts. Set up multi-factor authentication on all accounts that allow it. This provides an additional layer of security even when your password or passphrase is compromised. It may also alert you of attempts to access your accounts without your permission. Consider passkeys when that is offered. Keep your software programs up to date and maintain preventative software programs on all electronic devices. Install software that provides antivirus, firewall, and email filter services. Make sure your operating systems and applications are up to date. Older and unpatched versions of operating systems and software are the target of many hacks. Read the Federal Trade Commission's (FTC) online privacy and security Stay informed on the latest cyber threats. Keep yourself up to date on current scams. Visit the FBI's Do yourself a favor: be crime smart for more updates. Put these tips to work to protect yourself from some of the most common scams because criminals perpetrating these crimes often exploit weaknesses in personal cybersecurity practices or lack of awareness. <i>Comment: Find ways to share with your accountholders.</i>
	CSBS Net Interest Margins Bump Reg Burden as Top Community Bank Concern (01/24/2025) – Washington, D.C. – Community bankers report net interest margins have overtaken regulatory burden as their top external risk in the 2025 CSBS Annual Survey of Community Banks. Now in its twelfth year, the annual survey gauges internal and external risks, competition, safety and soundness, and deposit insurance policy. This year, community bankers expressed that their internal concerns remain steady, while external threats have shifted dramatically.

Regulatory burden fell to the sixth highest concern amid a changing political landscape. Now, core deposit growth ranks second among surveyed banks, followed by economic conditions, cost of technology, and cost of funds.

Cybersecurity remains the top internal risk, surpassing all other risks — external and internal — by a healthy margin. Technology implementation and related costs rank second, while credit replaces liquidity in the third spot.

“One of the biggest shifts in this year’s survey was that community bankers expressed less concern over regulatory burden and are now primarily focused on managing interest rate risks and maintaining and growing deposits,” said CSBS President and CEO Brandon Milhorn. “The survey also revealed greater concern over uncertain economic conditions and continuing risks associated with the cost and integration of new technologies.”

Community banks report local regional banks as their primary competitor for payment services, with nonbank institutions as the second highest. Payment-services competition shows the largest year-over-year change, with competition from nonbanks without a physical presence in the market also increasing.

Most survey respondents indicate they would support changing the current deposit insurance framework, with targeted unlimited coverage and increased coverage scoring the highest among alternative solutions.

Comment: Fraud remains a concern. Credit and debit card fraud was both the most common type of fraud reported and the largest source of dollar losses, followed by check fraud, and identity theft and account takeover, respectively. Together, these three types of fraud accounted for nearly 88% of total fraud cases and more than 80% of dollar losses.

Lending

FFIEC [CRA Alert - 2025 CRA Data Entry Software Release 2 is Now Available](#) (10/24/2025) – The [2025 CRA Data Entry Software Release 2](#) 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. <i>Comment: The CRA Data Entry Software is designed 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, and the data file created using the software can be submitted by one of the methods listed in the software.</i>
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Technology / Security

	CISA Bomb Threat Tabletop Exercise Package (09/15/2025) – CISA’s Tabletop Exercise Packages (CTEP) are a comprehensive set of resources designed to assist stakeholders in conducting their own exercises. Partners can use CTEPs to increase their organization’s resilience by assessing and validating capabilities and identifying areas for improvement. This Bomb Threat Tabletop Exercise is an interactive, discussion-based exercise focused on a suspicious activity, followed by a bomb threat. The scenario consists of three modules: Intelligence and Information Sharing, Incident Response, and Recovery and Continuity. The objectives for this scenario are: 1. Review emergency preparedness plans and response procedures to a suspicious activity event and a follow-on bomb threat. 2. Examine threat and incident information sharing, notification, and communication procedures between a facility or organization's partners, focusing on intelligence community partners and law enforcement. 3. Examine public messaging and information plans and procedures related to an active threat. 4. Discuss recovery and continuity plans and procedures following suspicious activity events and a bomb threat.
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Selected federal rules – proposed

Proposed rules are included only when community banks may want to comment. Date posted may not be the same as the Federal Register Date.

10.06.2025	OCC Fair Housing Home Loan Data System SUMMARY: The Office of the Comptroller of the Currency (OCC) invites public comment on a notice of proposed rulemaking (proposed rule) to rescind its Fair Housing Home Loan Data System regulation codified at 12 CFR part 27. The OCC has determined that the regulation is obsolete and largely duplicative of and inconsistent with other legal authorities that require national banks to collect and retain certain information on applications for home loans. Moreover, part 27 imposes asymmetrical data collection requirements on national banks compared to their other depository institution counterparts, and the data collected has limited utility. For these reasons, rescinding the regulation would eliminate the regulatory burden attributable to part 27 for national banks without having a material impact on the
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availability of data necessary for the OCC to conduct its fair housing-related supervisory activities.

- 10.05.2025 **Joint** [Unsafe or Unsound Practices, Matters Requiring Attention](#) SUMMARY: The Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC) propose to define the term “unsafe or unsound practice” for purposes of section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) and to revise the supervisory framework for the issuance of matters requiring attention and other supervisory communications.
- 09.19.2025 **Treasury** [GENIUS Act Implementation](#) SUMMARY: The Department of the Treasury (Treasury) is issuing this advance notice of proposed rulemaking (ANPRM) to solicit public comment on questions relating to the implementation of the Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act. The GENIUS Act tasks Treasury (and various other federal agencies) with issuing regulations that encourage innovation in payment stablecoins while also providing an appropriately tailored regime to protect consumers, mitigate potential illicit finance risks, and address financial stability risks. Through this ANPRM, Treasury is seeking public comment on potential regulations that may be promulgated by Treasury, including regarding regulatory clarity, prohibitions on certain issuances and marketing, Bank Secrecy Act (BSA) anti-money laundering (AML) and sanctions obligations, the balance of state-level oversight with federal oversight, comparable foreign regulatory and supervisory regimes, and tax issues, among other things. Treasury is seeking comment on all aspects of the ANPRM from all interested parties and also requests commenters to identify other issues that Treasury should consider. **DATES: Comments on this ANPRM must be received on or before November 4, 2025.**
- 08.22.2025 **CFPB** [Personal Financial Data Rights Reconsideration](#) SUMMARY: The Consumer Financial Protection Bureau (CFPB or Bureau) is seeking comments and data to inform its consideration of four issues related to implementation of section 1033 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). These issues are: the proper understanding of who can serve as a “representative” making a request on behalf of the consumer; the optimal approach to the assessment of fees to defray the costs incurred by a “covered person” in responding to a customer driven request; the threat and cost-benefit pictures for data security associated with section 1033 compliance; and the threat picture for data privacy associated with section 1033 compliance. **DATES: Comments must be received on or before October 21, 2025.**