



RKL REGULATORY COMPLIANCE FOR FINANCIAL INSTITUTIONS >

March 2023

Financial Crimes Enforcement Network; Inflation Adjustment of Civil Monetary Penalties

January 19, 2023

- FinCEN is publishing this final rule to reflect inflation adjustments to its civil monetary penalties as mandated by the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended. This rule adjusts certain maximum civil monetary penalties within the jurisdiction of FinCEN to the amounts required by that Act.
- This rule is effective January 19, 2023.

[Additional Information](#)

Regulations Implementing the Adjustable Interest Rate (LIBOR) Act

January 26, 2023

- The Board is adopting a final rule (final rule) to implement the Adjustable Interest Rate (LIBOR) Act. The final rule establishes benchmark replacements for contracts governed by U.S. law that reference certain tenors of U.S. dollar LIBOR (the overnight and one-, three-, six-, and 12-month tenors) and that do not have terms that provide for the use of a clearly defined and practicable replacement benchmark rate following the first London banking day after June 30, 2023. The final rule also provides additional definitions and clarifications consistent with the Adjustable Interest Rate (LIBOR) Act.
- The final rule is effective February 27, 2023.

[Additional Information](#)

Regulation D: Reserve Requirements of Depository Institutions

February 8, 2023

- The Board of Governors of the Federal Reserve System (“Board”) has adopted final amendments to its Regulation D to revise the rate of interest paid on balances (“IORB”) maintained at Federal Reserve Banks by or on behalf of eligible institutions. The final amendments specify that IORB is 4.65 percent, a 0.25 percentage point increase from its prior level. The amendment is intended to enhance the role of IORB in maintaining the federal funds rate in the target range established by the Federal Open Market Committee (“FOMC” or “Committee”).
- The amendments to part 204 (Regulation D) are effective February 8, 2023.

[Additional Information](#)

Regulation A: Extensions of Credit by Federal Reserve Banks

February 8, 2023

- The Board of Governors of the Federal Reserve System (“Board”) has adopted final amendments to its Regulation A to reflect the Board's approval of an increase in the rate for primary credit at each Federal Reserve Bank. The secondary credit rate at each Reserve Bank automatically increased by formula as a result of the Board's primary credit rate action.
- *Effective date:* The amendments to part 201 (Regulation A) are effective February 8, 2023.
- *Applicability date:* The rate changes for primary and secondary credit were applicable on February 2, 2023.

[Additional Information](#)

Cyber Incident Notification Requirements for Federally Insured Credit Unions

March 1, 2023

- The National Credit Union Administration (NCUA or agency) is amending Part 748 of its regulations to require a federally insured credit union (FICU) that experiences a reportable cyber incident to report the incident to the NCUA as soon as possible and no later than 72 hours after the FICU reasonably believes that it has experienced a reportable cyber incident. This notification requirement provides an early alert to the NCUA and does not require a FICU to provide a detailed incident assessment to the NCUA within the 72-hour time frame.
- The effective date of this final rule is September 1, 2023.

[Additional Information](#)

NCUA's 2023 Supervisory Priorities

January 19, 2023

- The National Credit Union Administration released a letter to Credit Unions outlining the NCUA's priorities and other updates to the agency's examination program for 2023.
- The NCUA will conduct examination and supervision activities both onsite and offsite, as appropriate. Examiners will continue to conduct some examination activity offsite when the activity can be completed efficiently and effectively at credit unions that can accommodate offsite work.
- The agency's exam flexibility initiative will continue in 2023, which establishes an extended exam cycle for certain credit unions. The NCUA will also continue the Small Credit Union Exam Program in most federal credit unions with assets under \$50 million. For all other credit unions, NCUA examiners will use the agency's risk-focused examination procedures.

[Additional Information](#)

CFPB Releases Updates to Mortgage Servicing Exam Procedures

January 18, 2023

- The Consumer Financial Protection Bureau (CFPB) is releasing its updated Mortgage Servicing Examination Procedures, providing transparency to stakeholders about how the agency does its work.
- The Examination Procedures describe the types of information that CFPB examiners gather to evaluate mortgage servicers' policies and procedures; assess whether servicers are complying with applicable laws; and identify risks to consumers related to mortgage servicing.
- The updated Examination Procedures include CFPB guidance released since the last update in June 2016.

[Additional Information](#)

Real Estate Settlement Procedures Act (Regulation X); Digital Mortgage Comparison-Shopping Platforms and Related Payments to Operators

February 7, 2023

- The Consumer Financial Protection Bureau (CFPB) is issuing this Advisory Opinion to address the applicability of the Real Estate Settlement Procedures Act (RESPA) section 8 to operators of certain digital technology platforms that enable consumers to comparison shop for mortgages and other real estate settlement services, including platforms that generate potential leads for the platform participants through consumers' interaction with the platform (Digital Mortgage Comparison-Shopping Platforms).
- Generally, this Advisory Opinion describes how an operator of a Digital Mortgage Comparison-Shopping Platform violates RESPA section 8 if the platform provides enhanced placement or otherwise steers consumers to platform participants based on compensation the platform operator receives from those participants rather than based on neutral criteria. More specifically, this Advisory Opinion states that an operator of a Digital Mortgage Comparison-Shopping Platform receives a prohibited referral fee in violation of RESPA section 8 when: (1) the Digital Mortgage Comparison Shopping Platform non-neutrally uses or presents information about one or more settlement service providers participating on the platform; (2) that non-neutral use or presentation of information has the effect of steering the consumer to use, or otherwise affirmatively influences the selection of, those settlement service providers, thus constituting referral activity; and (3) the 2 operator receives a payment or other thing of value that is, at least in part, for that referral activity.
- Furthermore, if an operator of a Digital Mortgage Comparison-Shopping Platform receives a higher fee for including one settlement service provider compared to what it receives for including other settlement service providers participating on the same platform, that can be evidence of an illegal referral fee arrangement absent other facts indicating that the payment is not for enhanced placement or other form of steering.

[Additional Information](#)

Board Extends Loan Interest Rate Ceiling; Approves Annual Performance Plan

January 26, 2023

- The National Credit Union Administration Board held its first open meeting of 2023 and approved two items:
 - An extension of the 18 percent federal credit union loan interest rate ceiling through September 10, 2024; and
 - The agency's 2023 Annual Performance Plan.
- Consistent with the requirements of the Federal Credit Union Act, the NCUA Board unanimously approved maintaining the current 18 percent interest rate ceiling for loans made by federal credit unions for a new 18 month period from March 11, 2023, through September 10, 2024.
- The Board unanimously approved the NCUA's *2023 Annual Performance Plan*, which provides specific direction and guidance toward achieving the mission and the strategic goals and objectives outlined in the agency's *2022–2026 Strategic Plan*.

[Additional Information](#)

CFPB Proposes Rule to Rein in Excessive Credit Card Late Fees

February 1, 2023

- The Consumer Financial Protection Bureau (CFPB) proposed a rule to curb excessive credit card late fees that cost American families about \$12 billion each year. Major credit card issuers continue to profit off late fees that are protected by an expansive immunity provision. Credit card companies have also relied on this provision to hike fees with inflation, even if they face no additional collection costs.
- The proposed rule would help ensure that over the top late fee amounts are illegal. Based on the CFPB's estimates, the proposal could reduce late fees by as much as \$9 billion per year.
- Comments must be received on or before April 3, 2023, or within 30 days after publication of the Notice of Proposed Rulemaking in the *Federal Register*, whichever is later.

[Additional Information](#)

Registry of Supervised Nonbanks That Use Form Contracts To Impose Terms and Conditions That Seek To Waive or Limit Consumer Legal Protections

February 1, 2023

- The Consumer Financial Protection Act of 2010 (CFPA) requires the Consumer Financial Protection Bureau (Bureau or CFPB) to monitor markets for consumer financial products and services for risks to consumers in order to support the various statutory functions of the CFPB, and to conduct a risk-based nonbank supervision program for the purpose of assessing compliance with Federal consumer financial law (among other purposes). Pursuant to these authorities, the CFPB is proposing a rule to require that nonbanks subject to its supervisory authority, with limited exceptions, register each year in a nonbank registration system established by the CFPB information about their use of certain terms and conditions in form contracts for consumer financial products and services that pose risks to consumers. In particular, these nonbanks would be required to register if they use specific terms and conditions defined in the proposed rule that attempt to waive consumers' legal protections, to limit how consumers enforce their rights, or to restrict consumers' ability to file complaints or post reviews. To facilitate public awareness and oversight by other regulators including the States, the Bureau is proposing to publish information identifying registrants and their use of these terms and conditions.
- Comments should be received on or before April 3, 2023.

[Additional Information](#)

Chartering and Field of Membership

February 28, 2023

- The NCUA Board (Board) is proposing to amend its chartering and field of membership (FOM) rules with respect to the provision of financial services to low- and moderate-income communities and expanding access to safe, fair and affordable financial services and products generally. The Board is also proposing several changes to the FOM rules to streamline
- These proposed amendments result from the agency's experience in addressing FOM issues relating to community charters and service to underserved areas, along with its study of FOM issues in the Board's Advancing Communities through Credit, Education, Stability and Support (ACCESS) initiative. The Board is also requesting feedback about several aspects of FOM issues for consideration with respect to future policy refinements. Due to the scope and complexity of both the proposed changes and the additional issues presented for feedback, the Board is providing a 90-day comment period. Consistent with the guidance the NCUA provided in Interpretative Ruling and Policy Statement 87-2 (NCUA IRPS 87-2—Developing and Reviewing Government Regulations) the Board is extending the comment period beyond the typical 60 days because it believes it will benefit from an additional opportunity for public input on these issues.
- Comments must be received on or before May 30, 2023.

[Additional Information](#)



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