

Overview of Selected Regulations and Supervisory Guidance

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

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

| Subject | Summary |
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| FDIC Hosts Banker Teleconference on FASB Proposal to Change the Accounting for Credit Losses (FIL-18-2013, May 9, 2013) | The Financial Accounting Standards Board (FASB) has issued a proposed Accounting Standards Update that would change recognition and measurement of credit losses for financial and regulatory reporting purposes. The proposal is intended to require more timely recognition of credit losses and adopts an expected credit loss approach that would replace several methods currently used, including the measurement of impairment based on a probable incurred-loss model. The FASB's comment period closed May 31, 2013. The FDIC hosted a free 90-minute teleconference on May 16, 2013, to discuss the proposal with interested bankers. See https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13018.html . |
| FDIC Issues Proposed Guidance on Deposit Advance Products (PR-31-2013, April 25, 2013; Federal Register, Vol. 78, No. 83, p. 25268, April 30, 2013) | The FDIC proposed supervisory guidance to financial institutions it supervises that offer or may consider offering deposit advance credit products. These products are small-dollar, short-term loans that banks make available to customers whose deposit accounts reflect recurring direct deposits. The proposal discusses supervisory expectations for the use of deposit advance products and supplements existing FDIC guidance on payday loans and subprime lending. Comments were due by May 30, 2013. See http://www.fdic.gov/news/news/press/2013/pr13031.html . |

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| Update of Statement of Policy on the Development and Review of Regulations and Policies (<i>Federal Register</i>, Vol. 78, No. 74, p. 22771, April 17, 2013) | The FDIC updated its Statement of Policy entitled “ <i>Development and Review of FDIC Regulations and Policies</i> .” The Policy Statement articulates the basic principles that guide the FDIC in its promulgation and review of regulations and written statements of policy. It is being revised to more fully reflect the FDIC’s current rulemaking policies and procedures, and take into account various organizational changes since the Policy Statement was adopted in 1998. See http://www.gpo.gov/fdsys/pkg/FR-2013-04-17/pdf/2013-08986.pdf . |
| Agencies Provide Additional Instructions for Submission of Resolution Plans (PR-27-2013, April 15, 2013) | The FRB and the FDIC announced the release of additional guidance and clarification for the first group of institutions filing their 2013 resolution plans pursuant to the <i>Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010</i> (Dodd-Frank Act). Resolution plans were required generally from U.S. bank holding companies with \$250 billion or more in total nonbank assets and foreign-based bank holding companies with at least \$250 billion in total U.S. nonbank assets. See http://www.fdic.gov/news/news/press/2013/pr13027.html . |
| FDIC Hosts Banker Teleconference Series (FIL-17-2013, April 9, 2013) | FDIC staff is hosting a series of nationwide banker teleconferences during 2013 to maintain open lines of communication and update bankers on important regulatory and emerging issues in the compliance and consumer protection area, including significant mortgage-related final rules issued by the CFPB. The sessions are free, but registration is required. See http://www.fdic.gov/news/news/financial/2013/fil13017.html . |
| FDIC Releases Technical Assistance Videos (PR-24-2013, April 3, 2013) | The FDIC announced the release of the first in a series of technical assistance videos to provide information to bank directors, officers, and employees on areas of supervisory focus. The first installment is designed to help prepare new bank directors for their fiduciary role. A second installment, to be released by June 30, 2013, is a virtual version of the FDIC’s Directors’ College Program, while the third, to be released by year-end, will provide virtual technical training for bank officers and employees. See http://www.fdic.gov/news/news/press/2013/pr13024.html . |
| Consolidated Reports of Condition and Income for First Quarter 2013 (FIL-16-2013, April 4, 2013; FIL-15-2013, April 2, 2013) | The federal bank regulatory agencies reminded financial institutions to report specific line items that are collected only as of the March 31 report date each year. Institutions also were reminded that the FFIEC has added new Schedule RI-C, Disaggregated Data on the Allowance for Loan and Lease Losses, to the Call Report effective for the first quarter of 2013. The new schedule is applicable to institutions with \$1 billion or more in total assets. See https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13016.html . |
| Interagency Statement on the Impact of the Biggert-Waters Flood Insurance Reform Act (FIL-14-2013, March 29, 2013) | The federal bank regulatory agencies, the National Credit Union Administration, and the Farm Credit Administration issued guidance about revisions to the Flood Disaster Protection Act of 1973 (the FDPA), which was amended by the Biggert-Waters Flood Insurance Reform Act of 2012 (Biggert-Waters Act). Provisions of the Biggert-Waters Act involving force-placement of flood insurance and civil money penalties for FDPA violations became effective upon enactment, while other provisions will not become effective until agencies issue implementing regulations. See http://www.fdic.gov/news/news/financial/2013/fil13014.html . |

| Subject | Summary |
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| <p>Agencies Issue Updated Leveraged Lending Guidance (FIL-13-2013, March 27, 2013; PR-21-2013, March 21, 2013; Federal Register, Vol. 78, No. 56, p. 17766, March 22, 2013)</p> | <p>The federal bank regulatory agencies released updated supervisory guidance on leveraged lending, replacing guidance issued in April 2001. Leveraged lending, which declined during the financial crisis but has been increasing since 2009, involves transactions characterized by a borrower with a degree of financial leverage that significantly exceeds industry norms. The updated guidance addresses expectations for the content of credit policies, outlines the need for well-defined underwriting and valuation standards, and reinforces the importance of credit analytics and pipeline management. See http://www.fdic.gov/news/news/financial/2013/fil13013.html.</p> |
| <p>Electronic Loan Data Request Fields (FIL-12-2013, March 22, 2013; PR-22-2013, March 22, 2013)</p> | <p>To facilitate greater consistency in the data submission process, the federal bank regulatory agencies and the Conference of State Bank Supervisors (CSBS) announced an increase in the number of required loan data fields in the Interagency Loan Data Request (ILDR) from 5 to 30. The agencies had implemented the ILDR in 2002 as a voluntary standard for electronic loan information used in safety and soundness examinations. See http://www.fdic.gov/news/news/financial/2013/fil13012.html.</p> |
| <p>Agencies Release Proposed Revisions to Interagency Questions and Answers Regarding Community Reinvestment (PR-20-2013, March 18, 2013; Federal Register, Vol. 78, No. 52, p. 16765, March 18, 2013)</p> | <p>The federal bank regulatory agencies requested comment on proposed revisions to <i>“Interagency Questions and Answers Regarding Community Reinvestment.”</i> The <i>Questions and Answers</i> document provides additional guidance to financial institutions and the public on the agencies’ Community Reinvestment Act (CRA) regulations. The proposed revisions focus primarily on community development. Comments were due by May 17, 2013. See http://www.fdic.gov/news/news/press/2013/pr13020.html.</p> |
| <p>Appraisal Requirements for Higher-Priced Mortgage Loans and Resources Regarding Other CFPB Mortgage-Related Rulemakings (FIL-11-2013, March 18, 2013)</p> | <p>The FDIC announced the availability of resources addressing important changes to CFPB mortgage-related rules, including the FDIC Regulatory Calendar, the FDIC Banker Teleconference Series, and links on the CFPB Web site. On January 18, 2013, the federal financial institution regulatory agencies and the Federal Housing Finance Agency (FHFA) issued a final rule that establishes new appraisal requirements for higher-priced mortgage loans as defined by the Dodd-Frank Act. See https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13011.html.</p> |
| <p>Proposed Revisions to Consolidated Reports of Condition and Income (Call Report) for 2013 (FIL-8-2013, March 8, 2013)</p> | <p>The federal bank regulatory agencies requested comment on proposed new and revised Call Report data items. The revisions include requests for information on separate deposit products for consumers compared to businesses; information on international remittance transfers; and a listing of trade names that differ from an institution’s legal title. Most of the revisions would be implemented as of the June 30, 2013, report date. Some would apply only to institutions with at least \$1 billion in total assets or to highly complex institutions. Comments on the proposed revisions were due by April 22, 2013. See https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13008.html.</p> |

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| FDIC Approves Proposed Rule on the Definition of “Insured Deposit” at Foreign Branches of U.S. Banks (FIL-7-2013, March 1, 2013; PR-9-2013, February 12, 2013; Federal Register, Vol. 78, No. 33, p. 11604, February 19, 2013) | <p>The FDIC Board of Directors approved a Notice of Proposed Rulemaking to clarify that deposits in foreign branches of U.S. banks are not eligible for deposit insurance, although they may qualify as deposits for the purpose of national depositor preference. Comments on the proposed rule were due by April 22, 2013.</p> <p>See http://www.fdic.gov/news/news/financial/2013/fil13007.html.</p> |
| FDIC and European Commission Meet to Discuss International Resolution Initiatives (PR-13-2013, February 25, 2013) | <p>Representatives of the FDIC and the European Commission met on February 19, 2013, to discuss issues related to the resolution of banks and systemically important financial institutions and deposit insurance regimes. This was the first of several working group sessions scheduled for 2013.</p> <p>See http://www.fdic.gov/news/news/press/2013/pr13013.html.</p> |
| Deposit Insurance Coverage: Free Nationwide Telephone Seminars for Bank Officers and Employees (FIL-6-2013, February 21, 2013) | <p>The FDIC will conduct 15 free telephone seminars on deposit insurance coverage for bank officers and employees between March 20 and December 3, 2013. Eleven sessions will provide an overview of the rules for determining deposit insurance coverage for all account ownership categories. Four other sessions will focus on the coverage for formal revocable trust account holders.</p> <p>See http://www.fdic.gov/news/news/financial/2013/fil13006.html.</p> |
| Modifications to the Statement of Policy for Section 19 of the Federal Deposit Insurance Act (FIL-3-2013, February 8, 2013; Federal Register, Vol. 77, No. 243, p. 74847, December 18, 2012) | <p>The FDIC Board of Directors modified the <i>FDIC Statement of Policy for Section 19 of the Federal Deposit Insurance Act</i> in an effort to reduce regulatory burden and the number of Section 19 applications. Section 19 prohibits a person convicted of a criminal offense involving dishonesty, breach of trust, money laundering, or who has entered into a pretrial diversion program, from participating in the affairs of an FDIC-insured institution without the prior written consent of the FDIC. The amendment modifies the definition of <i>de minimis</i> offenses with respect to maximum potential fines and actual jail time served.</p> <p>See http://www.fdic.gov/news/news/financial/2013/fil13003.html.</p> |
| FDIC Launches Community Affairs Webinar Series for Bankers (FIL-2-2013, January 24, 2013) | <p>The FDIC launched a webinar series for community bankers. The bimonthly series will highlight strategies for institutions to consider that may complement other efforts to promote community development and expand access to the banking system. The first two webinars were held February 6 and April 18, 2013.</p> <p>See https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13002.html.</p> |
| Agencies Issue Final Rule on Appraisals for Higher-Priced Mortgage Loans (PR-4-2013, January 18, 2013) | <p>The federal financial institution regulatory agencies and the FHFA issued a final rule that establishes new appraisal requirements for “higher-priced mortgage loans.” The rule implements amendments to the Truth in Lending Act made by the Dodd-Frank Act, whereby mortgage loans are higher-priced if they are secured by a consumer’s home and have interest rates above certain thresholds.</p> <p>See http://www.fdic.gov/news/news/press/2013/pr13004.html.</p> |

| Subject | Summary |
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| Release of Semiannual Regulatory Agenda (<i>Federal Register</i>, Vol. 78, No. 5, p. 1690, January 8, 2013) | <p>The FDIC published items for the fall 2012 <i>Unified Agenda of Federal Regulatory and Deregulatory Actions</i>, which contains information about the FDIC's current and projected rulemakings, existing regulations under review, and completed rulemakings. Twice each year, the FDIC publishes an agenda of regulations to inform the public of its regulatory actions and to enhance public participation in the rulemaking process.</p> <p>See http://www.gpo.gov/fdsys/pkg/FR-2013-01-08/pdf/2012-31515.pdf.</p> |
| Consolidated Reports of Condition and Income for Fourth Quarter 2012 (FIL-54-2012, December 28, 2012) | <p>The federal bank regulatory agencies reminded financial institutions to report specific line items that are collected only as of the December 31 report date each year. Institutions also were reminded that the FFIEC has approved the addition to the Call Report of new Schedule RI-C, Disaggregated Data on the Allowance for Loan and Lease Losses, effective March 31, 2013. The new schedule is applicable to institutions with \$1 billion or more in total assets.</p> <p>See https://www.fdic.gov/news/inactive-financial-institution-letters/2012/fil12054.html.</p> |
| Release of Annual Community Reinvestment Act Asset-Size Threshold Adjustments for Small and Intermediate Small Institutions (FIL-53-2012, December 21, 2012; PR-149-2012, December 19, 2012; <i>Federal Register</i>, Vol. 77, No. 246, p. 75521, December 21, 2012) | <p>The federal bank regulatory agencies announced the annual adjustment to the asset-size thresholds used to define "small bank," "small savings association," "intermediate small bank," and "intermediate small savings association" under the CRA regulations. "Small bank" or "small savings association" refers to an institution that, as of December 31 of either of the prior two calendar years, had assets of less than \$1.186 billion; and "intermediate small bank" or "intermediate small savings association" refers to an institution with assets of at least \$296 million as of December 31 for both of the prior two calendar years and less than \$1.186 billion as of December 31 of either of the prior two calendar years. The asset-size threshold adjustments took effect January 1, 2013.</p> <p>See https://www.fdic.gov/news/inactive-financial-institution-letters/2012/fil12053.html.</p> |
| Joint Report on Differences in Capital and Accounting Standards Among the Federal Banking Agencies (<i>Federal Register</i>, Vol. 77, No. 244, p. 75259, December 19, 2012) | <p>The FDIC, OCC, and FRB jointly released their annual report describing differences between the capital and accounting standards used by the agencies. Section 37(c) of the Federal Deposit Insurance Act requires the agencies to submit an annual report to the House Committee on Financial Services and the Senate Committee on Banking, Housing, and Urban Affairs.</p> <p>See http://www.gpo.gov/fdsys/pkg/FR-2012-12-19/pdf/2012-30608.pdf.</p> |
| FDIC Releases Community Banking Study and Supervisory Initiatives (PR-148-2012, December 18, 2012) | <p>As the outcome of its year-long Community Banking Initiative (CBI), the FDIC released the results of a study of community banking in the United States and a series of supervisory and rulemaking measures relating to community banks. The CBI seeks to further the understanding of the evolution of community banks during the past 25 years.</p> <p>See http://www.fdic.gov/news/news/press/2012/pr12148.html.</p> |
| FDIC Publishes Money Guide for Young Adults and Teens (PR-145-2012, December 14, 2012) | <p>The FDIC published tips for young adults and teens on saving, managing money, and avoiding financial scams. "For Young Adults and Teens: Quick Tips for Managing Your Money" includes suggestions for parents and caregivers on saving for a child's future and teaching youngsters about money.</p> <p>See http://www.fdic.gov/news/news/press/2012/pr12145.html.</p> |

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| FDIC Releases Survey on How Banks Are Working to Meet the Needs of the Unbanked and Underbanked (PR-144-2012, December 13, 2012) | The FDIC released the results of its 2011 <i>FDIC Survey of Banks' Efforts to Serve the Unbanked and Underbanked</i> . The results provide insights into the outreach, education, marketing and retail strategies banks use to meet the needs of underserved consumers. See http://www.fdic.gov/news/news/press/2012/pr12144.html . |
| FDIC Announces Official Launch of Regulatory Calendar for Community Banks (FIL-51-2012, December 10, 2012) | The FDIC launched an online regulatory calendar to help community banks remain current on changes in federal banking laws, regulations, and supervisory guidance. The FDIC requested feedback from the industry on ways to improve the calendar and has revised it based on a review of the comments received. The updated calendar is available at http://www.fdic.gov/regulations/resources/cbi/calendar.html . See http://www.fdic.gov/news/news/financial/2012/fil12051.html . |
| Interagency Statement on Section 612 of the Dodd-Frank Act: Restrictions on Conversions of Troubled Banks (FIL-50-2012, November 26, 2012) | The federal bank regulatory agencies and the CSBS issued the <i>Interagency Statement on Section 612 of the Dodd-Frank Act Restrictions on Conversions of Troubled Banks</i> . Section 612 imposes restrictions on conversions of certain national banks or federal savings associations to state-chartered institutions and conversions of certain state-chartered banks or savings associations to national banks or federal savings associations. The <i>Interagency Statement</i> outlines supervisory expectations for conversions covered by the Dodd-Frank Act. See http://www.fdic.gov/news/news/financial/2012/fil12050.html . |