RKL REGULATORY COMPLIANCE FOR FINANCIAL INSTITUTIONS ❯

June 2026

OCC – Real Estate Lending Escrow Accounts

May 19, 2026

- The OCC issued a final rule to codify longstanding and recognized powers of national banks and Federal savings associations (collectively, banks) to establish or maintain real estate lending escrow accounts and to exercise flexibility in making business judgments as to the terms and conditions of such accounts, including whether and to what extent to offer any compensation or to assess any fees related thereto.
- The rule is effective on June 18, 2026.

Additional Information

NCUA – Seeking Comment on Proposed Regulations to Implement Portions of the GENIUS Act

May 18, 2026

- The NCUA Board is seeking comment on proposed regulations to implement portions of the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act).
- The GENIUS Act charges the NCUA with licensing, regulating, and supervising Payment Stablecoin issuers that are subsidiaries of federally insured credit unions (FICU subsidiaries).
- In February 2026, the NCUA issued proposed regulations to govern investments in and licensing of permitted payment stablecoin issuers subject to the NCUA's jurisdiction.
- This current proposal supplements the previous proposal and would govern the issuance of Payment Stablecoins and certain related activities by entities subject to the NCUA's jurisdiction. This proposal would also make amendments to address share insurance coverage, tokenized shares and other conforming and clarifying amendments. The proposed rule aims to establish appropriate principles-based Bank Secrecy Act (BSA) and sanctions compliance requirements and standards that are tailored to the business model and risk profile of PPSIs and consistent with applicable law, which includes requirements promulgated by the United States Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) and the Office of Foreign Assets Control (OFAC).
- Comments due by July 17, 2026.

Additional Information

FFIEC – Request Public Comment on Proposed Revisions to CAMELS Rating System

May 19, 2026

- The Federal Financial Institutions Examination Council (FFIEC) is requesting public comment on proposed revisions to the Uniform Financial Institutions Rating System (UFIRS), commonly referred to as the CAMELS rating system.
- The proposal would strengthen the link between ratings and a financial institution's safety and soundness by focusing ratings on material financial risks. The proposal would retain the basic framework of the existing rating system, with certain modifications to the composite and component rating definitions and evaluation factors.
- Public comments are due by August 17, 2026.

Additional Information

FDIC – Notice of Proposed Rulemaking to Establish Bank Secrecy Act and Sanctions Compliance Standards for FDIC-Supervised Permitted Payment Stablecoin Issuers

May 22, 2026

- The FDIC proposes to issue regulations pursuant to the GENIUS Act that would implement appropriate BSA and sanctions compliance standards applicable to FDIC-supervised permitted payment stablecoin issuers.
- The proposed rule aims to establish appropriate principles-based BSA and sanctions compliance requirements and standards that are tailored to the business model and risk profile of PPSIs and consistent with applicable law, which includes requirements promulgated by the United States Department of the Treasury's FinCEN and the OFAC.
- Comments will be due no later than 60 days after publication in the Federal Register.

Additional Information

FDIC Updates FAQs Regarding Official Signs and Advertising

May 15, 2026

- The FDIC is updating its Questions and Answers (Q&As) related to the FDIC's regulation governing FDIC Official Signs, Advertisement of Membership, False Advertising, Misrepresentation of Insured Status, and Misuse of the FDIC Name or Logo, to reflect the FDIC's 2026 amendments to the rule (part 328).

Additional Information

Executive Order – Restoring Integrity to America's Financial System

May 19, 2026

- The Executive Order, Restoring Integrity to America's Financial System, states that the Administration's policy is to strengthen protections against fraud, abuse, illicit cross-border financial activity and risks associated with extending financial services or credit in higher-risk circumstances.
- The Secretary of the Treasury is directed to issue a formal advisory to financial institutions describing red flags and typologies tied to suspicious activity, including payroll tax evasion, use of shell entities or nominee accounts, unregistered money services businesses, structured cash activity, labor trafficking indicators and certain ITIN-related account or credit activity.
- Within 90 days, Treasury, in consultation with the federal banking regulators and NCUA, is directed to propose changes to BSA implementing regulations to enhance risk-based customer due diligence requirements, including better identification of nominal and beneficial owners and, where warranted by risk indicators, additional information relevant to fraud, sanctions evasion or other illicit-finance concerns.

[Additional Information]

Executive Order – Restoring Integrity to America’s Financial System (Continued)

May 19, 2026

- Within 180 days, Treasury and the federal functional financial regulators are directed to consider revisions to customer identification program requirements under the BSA, including attention to risks associated with foreign consular identification cards.
- The Order directs the CFPB, within 60 days, to consider clarifying that potential deportation and resulting wage loss may be relevant factors in a lender’s “ability-to-repay” analysis for non-work-authorized borrowers under Regulation Z standards.
- Within 60 days, the federal functional financial regulators are directed to issue guidance on managing potential credit risks associated with lending to non-work-authorized populations.
- Banks, credit unions and other covered institutions should expect potential changes in AML/BSA compliance expectations, customer due diligence and identification practices, suspicious activity monitoring and credit underwriting/risk-management guidance.

[Additional Information]

Executive Order – Integrating Financial Technology Innovation Into Regulatory Frameworks

May 19, 2026

- The Executive Order, Integrating Financial Technology Innovation Into Regulatory Frameworks, states that the U.S. should promote fintech innovation by modernizing regulations, enabling integration of digital assets and other emerging technologies into traditional financial services and payment systems and reducing fragmented or overly burdensome requirements that may hinder competition and market entry.
- The definition of fintech is broad and includes non-bank firms involved in activities such as payments, lending, brokerage, investment management, digital banking, digital asset services, blockchain-based services and other financial activities.
- Within 90 days, each federal financial regulator is directed to review its existing regulations, guidance, supervisory practices and application processes to identify items that could be updated to better support innovation and competition, especially for smaller and emerging fintech firms.
- As part of that review, regulators are directed to identify rules, guidance, orders, no-action letters and other practices that may unnecessarily impede partnerships between fintech firms and federally regulated institutions, including banks, credit unions, broker-dealers, investment advisers and futures commission merchants.

[Additional Information]

Executive Order – Integrating Financial Technology Innovation Into Regulatory Frameworks (Continued)

May 19, 2026

- Regulators are also directed to identify changes that could simplify or streamline processes for eligible fintech firms seeking bank charters, credit union charters, deposit or share insurance, and other federal licenses, registrations, or authorizations, while balancing safety and soundness, consumer and investor protection, market integrity, financial stability and oversight considerations.
- Within 180 days, each federal financial regulator is directed, in consultation with the Assistant to the President for Economic Policy, to take steps to encourage innovation based on the results of the required review.
- The Federal Reserve Board is requested to complete the same type of review described for the other regulators and to undertake a broader evaluation of the legal, regulatory and policy framework governing access to Reserve Bank payment accounts and payment services by uninsured depository institutions and non-bank financial companies, including firms involved in digital assets and other novel financial activities.
- Within 120 days, the Federal Reserve Board is requested to submit a report addressing its findings, options and recommendations regarding direct access to Federal Reserve payment accounts and services for covered firms.

Additional Information

Executive Order – Integrating Financial Technology Innovation Into Regulatory Frameworks (Continued)

May 19, 2026

- The requested Federal Reserve review is to assess:
  - The Federal Reserve's legal authority to provide direct access to covered firms
  - Options for expanding such access where legally permissible, subject to risk management requirements
  - Legal impediments and possible legislative or regulatory changes to address them
  - Whether individual Reserve Banks may independently grant or deny access, and what Board-level policies exist or should be established to ensure consistent treatment across Reserve Banks
- If the Federal Reserve Board concludes that current law allows direct access for covered firms, it is requested to establish transparent application procedures and make decisions on complete applications within 90 days.

[Additional Information]

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ADVISORS for WHAT'S NEXT