

FINREG Focus

U.S. Financial Services Regulatory Center Update

March 9, 2026

Executive Summary

This update's headline items:

1. Office of the Comptroller of the Currency (OCC) finalizes rules tailoring compliance requirements for community banks.
2. U.S. banking agencies issue answers to frequently asked questions (FAQ) concerning the capital treatment of tokenized securities.
3. Federal Reserve Board (FRB) and U.S. Department of the Treasury (Treasury) discuss bank liquidity and openness to rethinking post-crisis liquidity framework.

Overview of Key Developments

1. The OCC issued two final rules:
 1. Expand streamlined licensing treatment for qualifying community banks and community federal savings associations under 12 CFR Part 5;
 2. Rescind 12 CFR Part 27, Fair Housing Home Loan Data System, for national banks and their subsidiaries.

These actions build upon ongoing efforts to tailor supervision for community banks and align bank regulation with the size, complexity, and risk profile of an institution. Below, we provide additional details on each rule.

Community Bank Licensing Amendments

The OCC issued [Bulletin 2026-6, Community Bank Licensing Amendments: Final Rule](#), finalizing amendments to 12 CFR Part 5 to simplify licensing requirements for certain corporate activities and transactions undertaken by community banks and community federal savings associations. The final rule largely adopts the proposal and creates a new definition of "covered community bank or covered community savings association." Under the final rule, a "covered community bank or covered community savings association" is defined as a national bank or federal savings association that:

- Has less than \$30 billion in total assets and is not an affiliate of a depository institution or foreign bank with \$30 billion or more in total assets;
- Is "well capitalized"; and
- Is not subject to a cease and desist order, a consent order, or a formal written agreement that requires action to improve the financial condition unless otherwise informed in writing by the OCC.

Qualifying institutions are permitted to access all existing expedited or reduced filing procedures currently available under the OCC's licensing framework, which can reduce documentation requirements, shorten review timelines, or allow after-the-fact notices instead of full applications, depending on the nature of the activity. However, the agency retains authority

to adjust the timing or move filings out of expedited treatment, as needed. Notably, the OCC declined to index the asset threshold for inflation, leaving the topic open for future rulemaking.

The final rule is effective April 3, 2026.

Fair Housing Home Loan Data System

In a separate final rule, the OCC announced [Bulletin 2026-5, Rescission of 12 CFR 27, Fair Housing Home Loan Data System](#), rescinding and removing the agency's Fair Housing Home Loan Data System requirements. Part 27 established quarterly record-keeping requirements for *Home Mortgage Disclosure Act* filers and non-filers that met certain thresholds and a data collection system for monitoring national banks and their subsidiaries for compliance with the *Fair Housing Act* and the *Equal Credit Opportunity Act*.

The OCC considers the regulation obsolete due to its duplicative nature and the inconsistency of requirements across other legal authorities. As the agency's fair lending supervision relies heavily on information collected as part of Regulation B and Regulation C compliance, it anticipates the rescission will eliminate regulatory burden without having a material impact on its fair housing oversight.

The action is also effective April 3, 2026.

2. The OCC, FRB, and FDIC (collectively, the agencies) [issued FAQs addressing the capital treatment of tokenized securities](#). The agencies define "tokenization" as the process of representing an asset on distributed ledger technology (DLT). For tokenized securities, this often takes one of two forms:

1. The token is used to represent an interest in a security that has been issued using traditional processes, such as a central securities depository, or
2. An issuer directly issues the security on DLT.

In each case, the agencies clarified that tokenization does not automatically alter regulatory capital treatment or its ability to meet the definition of "financial collateral." As such, banks must apply existing capital rules based on the legal form and economic substance of the underlying instrument. The agencies emphasize that eligible tokenized securities that confer legal rights identical to non-tokenized securities will generally be treated the same for capital purposes.

Similarly, a derivative that references an eligible tokenized security should be treated as a derivative that references the non-tokenized form of the security for capital purposes. An eligible tokenized security that satisfies the definition of "financial collateral" would qualify as financial collateral for purposes of the capital rule and may be recognized as a credit risk mitigant if all other relevant requirements in the capital rule are met. In addition, as financial collateral, an eligible tokenized security would be subject to the same haircuts as its non-tokenized form. Finally, the FAQs indicate the treatment does not differ for permissioned versus permissionless blockchains.

3. At this week's "Roundtable on Liquidity and Lender of Last Resort," both the FRB and Treasury offered complementary perspectives on liquidity reform, signaling that the post-crisis liquidity policy is under review.

Remarks From the FRB

Federal Reserve Vice Chair for Supervision Michelle Bowman [delivered remarks on liquidity resiliency](#) and signaled openness to revisiting the bank liquidity framework. Bowman questioned whether the post-financial crisis liquidity framework delivers usable resiliency in stress, highlighting that tools such as the liquidity coverage ratio, net stable funding ratio, internal liquidity stress testing, and resolution planning, while impressive on paper, may distort actual bank behavior.

The speech notes two structural frictions:

1. In normal times, banks may over-allocate high-quality liquid assets to demonstrate liquidity demands can be met with their own balance sheet resources, and
2. Persistent stigma surrounding the discount window, which limits its effectiveness as a tool during stress.

These dynamics can amplify pro-cyclical pressures and limit credit availability. Bowman's remarks signal renewed focus on aligning regulatory liquidity measures with real world stress usability, with attention to incentives that drive "liquidity hoarding" and the operational credibility of the discount window as a backstop.

Remarks From the U.S. Department of the Treasury

An [address drafted for Secretary Scott Bessent](#) and delivered by Under Secretary for Domestic Finance Jonathan McKernan echoed sentiments that misalignment of the current liquidity framework warrants a broad review of the post-2008 liquidity rules. Treasury argued that while near-term reforms should work to restore the lender-of-last-resort function, it suggested calibrating the liquidity coverage ratio and other liquidity rules cap recognition to discount window borrowing to each bank's demonstrated usage, *e.g.*, the lesser of the overall ceiling and some multiple of recent borrowing, and allowing temporary increases during severe stress to improve buffer usability and create automatic stabilizers. McKernan stated that this targeted change would rebalance self-insurance, incentivize collateral prepositioning and regular testing, and reduce discount window stigma by normalizing access.

In addition to liquidity reform, Treasury highlighted parallel work on targeted deposit insurance reform for noninterest-bearing transaction accounts, recalibrating anti-money laundering/combating the financing of terrorism (AML/CFT) program effectiveness, updated model risk governance to support responsible artificial intelligence (AI), reducing duplicative exams, and rethinking permissible banking activities.

Recent Key Regulatory Developments

Legislative

Date	Topic	Summary
3/4	White House Formally Nominates Kevin Warsh for Fed Chair	Kevin Warsh of Florida was formally nominated to serve as chairman of the Board of Governors of the Federal Reserve System, along with a separate nomination to serve a 14-year term on the FRB.

U.S. Department of the Treasury

Date	Topic	Summary
3/3	U.S. Remarks from the Roundtable on Liquidity & Lender of Last Resort	The announcement of a “reset” of liquidity regulation calling for a tailored, risk-focused rollback of prescriptive liquidity rules, as well as a renewed emphasis on preserving community banks and material risk supervision.

Joint Banking Agencies

Date	Topic	Summary
3/5	Interagency FAQs Released on Tokenized Securities	U.S. banking agencies released FAQs clarifying the capital treatment of tokenized securities.

Office of the Comptroller of the Currency

Date	Topic	Summary
3/2	OCC Releases CRA Performance Evaluations	OCC released its results of national banks and federal savings associations evaluated for <i>Community Reinvestment Act</i> (CRA) compliance.
3/3	OCC Issues Final Rule for Community Bank Licensing Amendments	OCC issued a final rule simplifying licensing requirements for certain corporate activities and transactions by community banks and community federal savings associations, expanding access to expedited or reduced filing procedures.
3/3	OCC Issues Final Rule Rescinding “Fair Housing Home Loan Data System”	OCC issued a final rule rescinding 12 CFR 27 to eliminate home loan data collection requirements for national banks.

Federal Deposit Insurance Corporation

Date	Topic	Summary
3/5	FDIC Issues List of Banks Examined for CRA Compliance	FDIC released its results of state non-member banks evaluated for CRA compliance.

National Credit Union Administration

Date	Topic	Summary
3/2	NCUA Issues Share Insurance Fund Results for Q4 2025	NCUA released the performance results of the Share Insurance Fund for Q4 2025, which reported net income of \$113.8 million, a 1.30% equity ratio, and held \$24.1 billion in assets. In addition, slight declines in adversely rated credit unions were noted, with no federally insured credit union failures during the quarter.

Federal Financial Institutions Examination Council

Date	Topic	Summary
3/2	FFIEC Announce Change to UBPR Interest Rate Risk Analysis Page	FFIEC announced updates to the UBPR's Interest Rate Risk Analysis page, introducing several new concepts.

Securities and Exchange Commission

Date	Topic	Summary
3/2	FINRA Seeks Comment on Modernizing Arbitration Rules & Processes	FINRA requested public comment on potential updates to its arbitration rules, guidance, and processes as part of a broader effort to modernize the forum, improve efficiency and fairness, and reduce unnecessary burdens.
3/5	SEC Announces Public Roundtable on Options Market Structure Reform	SEC announced it will host a public roundtable on April 16, 2026 to discuss listed options market structure including competition in a quote-driven market, customer experience, and opportunities and challenges facing the growing options market.
3/6	SEC Updates Compliance & Interpretations Under the Securities Act and Regulation S-K	SEC issued new and revised Compliance and Disclosure Interpretations clarifying staff views under the <i>Securities Act</i> , including updates to Rule 701, key definitional guidance, <i>Securities Act</i> forms, and Regulation S-K disclosure requirements.

Commodity Futures Trading Commission

Date	Topic	Summary
3/3	The National Futures Association Proposes Repeal of Financial Ratio Reporting Requirements for CPOs and CTAs	NFA submitted a proposal to the CFTC to repeal Interpretive Notice 9071, eliminating quarterly reporting of certain financial ratios on Forms PQR and PR.

Deadlines & Compliance Calendar

Agency	Requirement	Due Date
	Comments due on renewal of “Reg E – Prepaid Accounts” information collection	Mar 26, 2026
OCC	Comments due on bank appeals process proposal	Apr 20, 2026
	Comments due on Proposal Implementing <i>GENIUS Act</i> for OCC supervised entities	May 1, 2026
FRB	Comments due on FRB’s request for information on check services options	Mar 9, 2026
	Comments due on removal of reputation risk from the FRB’s supervisory programs	Apr 27, 2026
FDIC	Comments due on FDIC proposed application procedures to issue payment stablecoins	May 18, 2026
	Comments due on removal of nondiscrimination requirements	Mar 16, 2026
	Comments due on service to & “underserved areas”	Mar 16, 2026
	Comments due on chartering field of membership guidance	Mar 16, 2026
	Comments due on Federal Corporate Credit Union Chartering	Mar 16, 2026
	Comments due on federal share insurance proposal	Mar 30, 2026
	Comments due on maximum borrowing authority proposal	Mar 30, 2026
	Comments due on termination of excess insurance coverage	Mar 30, 2026
NCUA	Comments due on public unit & nonmember shares proposal	Mar 30, 2026
	Comments due on proposed renewal, extension, & revision of existing information collection	Mar 30, 2026
	Comments due on permitted payment stablecoin issuer applications	Apr 13, 2026
	Comments due on organization & operation of federal credit unions	Apr 13, 2026
	Comments due on mergers of insured credit unions & voluntary termination or conversion of insured status	Apr 13, 2026
	Comments due on conversion of insured credit unions to mutual saving banks	Apr 13, 2026
	Comments due on definitions related to statutory lien	Apr 27, 2026

Deadlines & Compliance Calendar

Agency	Requirement	Due Date
NCUA	Comments due on credit union service contracts	Apr 27, 2026
	Comments due on rescission of regulation that addresses refund of interest to members	Apr 27, 2026
	Comments due on streamlining regulations for the purchase, sale, & pledge of eligible obligations	Apr 27, 2026
	Comments due on federally insured credit union (FICU) official & employee compensation	Apr 27, 2026
	Comments due on post-election training for new board members	Apr 27, 2026
SEC	Comments due on SEC's proposed revisions to "small business" & "small organization" definitions	Mar 13, 2026
	Comments due on proposed amendments to Form N-PORT reporting requirements	Apr 24, 2026
	Comments due on FINRA arbitration rules & processes	May 1, 2026

Effective Rule Compliance Dates

Agency	Requirement	Compliance Date
Joint Agency	Enhanced supplementary leverage ratio (eSLR), total loss-absorbing capacity (TLAC), & long-term debt requirements	Dec 1, 2026
OCC	OCC's updated national bank chartering final rule	Apr 1, 2026
	OCC community bank licensing amendments	Apr 3, 2026
	Elimination of the Fair Housing Home Loan Data System and the associated national bank-specific home loan data collection and recordkeeping requirements	Apr 3, 2026
FDIC	Establishment & relocation of branches & offices	Feb 27, 2026
	FDIC official signs & advertisement of membership	Apr 1, 2027
NCUA	Simplification of share insurance rules	Dec 1, 2026
CFPB	Residential property assessed clean energy financing (Regulation Z)	Mar 1, 2026
SEC	Directors and officers of foreign private issuers with Exchange Act-registered equity securities to comply with Section 16 beneficial ownership & transaction disclosure requirements	Mar 18, 2026
	Compliance with amended FINRA capital acquisition broker rules	Mar 25, 2026
	Form N-PORT (for funds with \$1 billion or greater in net assets) & all N-CEN reporting requirements	Nov 17, 2027
	Form N-PORT reporting requirements for fund groups with less than \$1 billion in net assets	May 18, 2028
CFTC	Business conduct & swap documentation requirements for swap dealers & major swap participants	Jan 29, 2026
FinCEN	Recordkeeping & reporting requirements on certain financial institutions in Minnesota	Feb 12, 2026
	AML/CFT program & suspicious activity report (SAR) filing requirements for registered investment advisers & exempt reporting advisers	Jan 1, 2028

Agencies Without Recent Key Developments

Several key regulators maintained their prior positions for the period, with no new actions to report, including:

- Financial Stability Oversight Committee
- Federal Reserve Board
- Consumer Financial Protection Bureau
- Financial Crimes Enforcement Network
- Financial Accounting Standards Board
- Financial Stability Board
- Basel Committee on Banking Supervision
- International Organization of Securities Commission

U.S. Financial Services Regulatory Center Recent FORsights™

We're committed to changes and obligations regulators demand, helping you meet business objectives and enhance shareholder value. For more information on our latest work, please see our FORsights below:



[Quarterly Insights: Financial Services Q4 2025](#)

Download our Q4 2025 insights on digital transformation, tokenization, and more.



[U.S. Agencies Propose Updates to Community Bank Leverage Ratio \(CBLR\)](#)

U.S. banking agencies propose revisions to lower CBLR requirements and extend grace periods for banks.



[Preliminary Insights on the OCC's Proposed Stablecoin Framework](#)

Preliminary insights on the OCC's proposed stablecoin framework and why it matters today for banks.



[The OCC Increased the Application Threshold for Heightened Standards](#)

OCC raises heightened standards threshold to \$700 billion, easing regulatory burden for smaller banks.



[Forvis Mazars' View: The Revitalization of Bank Mortgage Lending](#)

The FRB signals capital changes to revive bank mortgage lending for community and regional banks.



[SEC Daily Reserve Rules: Key FAQs & Compliance Deadlines for Broker-Dealers](#)

SEC updates daily reserve rules for broker-dealers; compliance starts June 30, 2026.



[FRB's New Supervisory Operating Principles: Impact on Internal Audit](#)

FRB's new principles shift focus to IA for risk management and oversight in financial institutions.



[FDIC Updates Resolution Planning Expectations for Large IDIs](#)

FDIC updates resolution planning for large banks, refining requirements and filing expectations.

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