

FINREG Focus

U.S. Financial Services Regulatory Center Update

February 9, 2026

Executive Summary

This update's headline items:

1. Treasury Secretary Scott Bessent testifies before a House committee on the U.S. economy
2. Federal Reserve finalizes its stress test scenarios for the 2026 cycle
3. Federal Financial Institutions Examination Council (FFIEC) introduces new metrics through updates to the Uniform Bank Performance Report's (UBPR) liquidity pages
4. Securities Industry and Financial Markets Association (SIFMA) renews drive for equity-for-equity collateral under 15c3-3

Overview of Key Developments

1. The House Committee on Financial Services met to examine [The Annual Report of the Financial Stability Oversight Council \(FSOC\)](#), bringing Treasury Secretary Scott Bessent before lawmakers to provide testimony and respond to questions on the state of financial stability in the United States. The hearing topics included inflation, tariffs, housing costs, stablecoins, and the broader direction of economic management.

In his prepared remarks, Bessent stated that the current supervisory framework has become overly reactive and focused on responding to crises after they emerge. He emphasized the importance of supporting small and community banks whose growth is critical to small business formation. Bessent noted the increasing relevance of stablecoins and acknowledged their potential to be more directly integrated into the financial system. While speaking to FSOC priorities, cybersecurity, and fraud prevention were discussed as significant threats from both nation-state actors and organized criminal groups. He highlighted efforts to strengthen defenses through expanded information sharing, joint monitoring, and scenario-based exercises, while stressing the need for firms to better manage risks tied to third-party service providers.

Throughout the hearing, Bessent repeatedly stressed the need for regulatory tailoring, better alignment of supervisory resources with actual risks, and a more balanced approach that protects the financial system while allowing banks to serve local economies more effectively.

2. On February 4, 2026, the Federal Reserve [released its final 2026 supervisory stress testing scenarios](#), outlining the updated baseline and severely adverse conditions that will shape capital planning expectations for large U.S. banks.

The 2026 scenarios incorporate newly available economic data and refinements to the Board's scenario design framework, including expanded variable guides and an updated macroeconomic model. The baseline scenario reflects moderate economic growth in the U.S., relatively stable inflation trending toward 2%, steady long-term interest rates, and slight declines in mortgage rates. In contrast, the severely adverse scenario indicates a global recession triggered by a sharp decline in risk appetite, driving unemployment to spike at a 10% peak, equity prices to fall at 58%, significant stress across the commercial and residential real estate markets, and notable declines in real gross domestic product.

Banks with major trading or custodial operations are required to incorporate a counterparty default component, while institutions with substantial trading operations will again face the global market shock scenario.

The 2026 scenarios underscore continued regulatory focus on transparency, model consistency, and resilience—key themes that will influence forward-looking capital strategies.

3. The [FFIEC released significant updates](#) to the UBPR Liquidity & Funding page 10 and the Liquidity & Investment Portfolio page 10A (liquidity pages). Effective February 17, 2026, the revised liquidity pages will introduce a more comprehensive framework for evaluating institutional liquidity and funding risks.

The update expands the liquidity data set to 102 total concepts, including 58 new metrics designed to provide deeper insight into liquid assets, wholesale funding reliance, deposit composition, maturity structures, and securities mix. Several legacy liquidity ratios, such as core deposit and maturity-based borrowing measures, have been removed or relocated to reduce redundancy or improve clarity. Seventeen legacy liquidity concepts will remain on the revised pages; however, all historical items will be available through the FFIEC's bulk data download.

To support trend analysis, the FFIEC will phase in historical data. As such, only one quarter of data will be initially populated for the new concepts. After February 20, 2026, the dataset will expand to five quarters, and on March 9, 2026, all periods dating back to March 2001 will be populated, depending on underlying Call Report availability.

These changes reflect a multiyear modernization effort, with additional revisions expected through 2027. Institutions should review the new liquidity metrics to understand how the supervisory analyses may evolve and how peer comparisons may shift under the updated framework.

4. Dialogue around expanding acceptable collateral for non-cash stock borrows continues among industry leaders. Under the current SEC Rule 15c3-3 framework, firms may include customer-related stock borrow debits in the reserve formula only when the transaction is collateralized by qualified securities, which today effectively means U.S. Treasuries. Over the years, broker-dealers have questioned whether this narrow definition reflects current practices, particularly as equity-for-equity structures have become more prevalent.

The SIFMA Capital Committee has renewed talks with the SEC on broadening the collateral set to include equities, which would align regulatory treatment more closely with how these transactions function. Early indications suggest the SEC is open to the concept, although the path forward remains under evaluation. We will continue monitoring the dialogue closely as the regulators and industry groups work toward a more flexible and risk-appropriate framework.

Recent Key Regulatory Developments

U.S. Department of the Treasury

Date	Topic	Summary
2/6	Treasury Seeks Public Input on CFIUS “Known Investor” Program and Efforts to Streamline Foreign Investment Reviews	The U.S. Department of the Treasury issued a request for information to gather feedback on developing the CFIUS Known Investor Program and explore ways to streamline the foreign investment review process.

Federal Financial Institutions Examination Council

Date	Topic	Summary
2/2	FFIEC Announce UBPR Content Changes	The FFIEC announced updates to the UBPR Liquidity & Funding and Liquidity & Investment Portfolio pages, effective on or shortly after February 17, 2026.

Federal Reserve

Date	Topic	Summary
1/30	Kevin Warsh Nominated to Serve as Federal Reserve Chair	The White House announced the nomination of former Federal Reserve Governor Kevin Warsh to serve as the Chairman of the Board of Governors of the Federal Reserve System.
2/4	Federal Reserve Finalizes Its 2026 Stress-Test Scenarios	The Federal Reserve released its final 2026 stress-test scenarios outlining updated baseline and severely adverse conditions and voted to maintain existing stress-test related capital requirements until 2027.

Office of the Comptroller of the Currency

Date	Topic	Summary
2/2	OCC Releases CRA Performance Evaluations	The OCC released its results of national banks and federal savings associations evaluated for <i>Community Reinvestment Act</i> compliance.

Federal Deposit Insurance Corporation

Date	Topic	Summary
2/5	FDIC Issues List of Banks Examined for CRA Compliance	The FDIC released its results of state non-member banks evaluated for CRA compliance.
2/6	FDIC Extends Comment Period on Proposal to Establish GENIUS Act Application Procedures	The FDIC announced a 90-day extension to the comment period on the notice of proposed rulemaking to implement application procedures for FDIC-supervised institutions seeking approval to issue payment stablecoins through subsidiaries under the GENIUS Act. Comments are now due by May 18, 2026.

Securities & Exchange Commission

Date	Topic	Summary
2/5	SEC Releases New ETF & Fund-Merger Data Alongside Updated Statistics on Key Market Intermediaries	The SEC published new reports detailing the rapid growth of active exchange-traded funds (ETFs), fee changes associated with fund mergers, and updated statistics on municipal advisors, transfer agents, and security-based swap dealers.

Commodity Futures Trading Commission

Date	Topic	Summary
2/4	CFTC Withdraws Event Contracts Rule Proposal & Staff Advisory	The CFTC has formally withdrawn its 2024 event contracts rule proposal and a 2025 staff advisory, announcing plans to pursue a new rulemaking approach that aligns with the <i>Commodity Exchange Act</i> .

Financial Accounting Standards Board

Date	Topic	Summary
2/4	Summary of FASB's 2/4 Board Meeting	FASB met during its regular session and tentatively decided to add a project to its technical agenda aimed at improving how certain tangible commodity inventories are accounted for. In addition, goodwill was revisited, with FASB directing staff to further explore ways to simplify its accounting treatment by limiting impairment testing to triggering events and allowing testing at the operating segment level.

Financial Stability Board

Date	Topic	Summary
2/3	FSB Sets 2026 Agenda to Strengthen Global Financial Stability	The FSB released its 2026 work program, emphasizing priorities for strengthening global financial stability through financial vulnerability assessments, nonbank sector oversight, digital asset and AI policy work, cross-border payment improvements, and enhanced resilience preparedness and resolution planning.
2/4	FSB Warns of Rising Risks in Government Bond-Backed Repo Markets	The FSB published a report on vulnerabilities in the government bond-backed repo markets. The group warns that leverage, liquidity imbalances, and market concentration pose a growing threat to this segment, urging authorities to close data gaps and strengthen oversight.

Deadlines & Compliance Calendar

Agency	Requirement	Due Date
OCC	Comments due on OCC's chartering proposal	Feb 11, 2026
	Comments due on OCC CRA simplified strategic plan proposal	Feb 20, 2026
FRB	Comments due on OCC's proposed heightened standards threshold update	Mar 2, 2026
	Comments due on Fed's proposed enhancements to stress tests	Feb 21, 2026
FDIC	Comments due on Fed RFI on check services options	Mar 9, 2026
	Comments due on FDIC's Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) compliance costs survey	Feb 9, 2026
NCUA	Comments due on FDIC proposed application procedures to issue payment stablecoins	May 18, 2026
	Comments due on corporate credit union ALCO & annual report filing rule	Feb 9, 2026
	Comments due on supervisory committee audits	Feb 9, 2026
	Comments due on proposed rule to remove Appendix B from part 748	Feb 9, 2026
	Comments due on catastrophic acts reporting	Feb 27, 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 and 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
SEC	Comments due on maximum borrowing authority proposal	Mar 30, 2026
	Comments due on termination of excess insurance coverage	Mar 30, 2026
	Comments due on public unit & nonmember shares proposal	Mar 30, 2026
	Comments due on SEC's proposed revisions to "small business" & "small organization" definitions	Mar 13, 2026

Effective Rule Compliance Dates

Agency	Requirement	Compliance Date
Joint Agency	<u>Enhanced supplementary leverage ratio (eSLR), total loss-absorbing capacity (TLAC), & long-term debt requirements</u>	Dec 1, 2026
FDIC	<u>Establishment & relocation of branches & offices</u>	Feb 27, 2026
NCUA	<u>Simplification of share insurance rules</u>	Dec 1, 2026
CFPB	<u>Residential property assessed clean energy financing (Regulation Z)</u>	Mar 1, 2026
SEC	<u>Form N-PORT (for funds with \$1 billion or greater in net assets) & All N-CEN reporting requirements</u>	Nov 17, 2027
	<u>Form N-PORT reporting requirements for fund groups with less than \$1 billion in net assets</u>	May 18, 2028
CFTC	<u>Business conduct & swap documentation requirements for swap dealers & major swap participants</u>	Jan 29, 2026
FinCEN	<u>Recordkeeping & reporting requirements on certain financial institutions in Minnesota</u>	Feb 12, 2026
	<u>AML/CFT Program & suspicious activity report (SAR) filing requirements for registered investment advisers & exempt reporting advisers</u>	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:

- Legislative
- Financial Stability Oversight Committee
- National Credit Union Administration
- Consumer Financial Protection Bureau
- Financial Crimes Enforcement Network
- 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.



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

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



[Monthly Banking Regulatory Review – November 2025](#)

Explore updates on recent bank regulation activities affecting financial institutions.



[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.



[The FDIC and OCC Ease Leveraged Lending Guidance for Banks](#)

FDIC and OCC withdraw leveraged lending guidance, shifting focus to broader safety standards.



[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.



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

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

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