

FINREG Focus

U.S. Financial Services Regulatory Center Update

April 13, 2026

Executive Summary

This update's headline items:

1. Financial Crimes Enforcement Network (FinCEN) proposes rule to reform anti-money laundering (AML) and countering the financing of terrorism (CFT) programs under the *Bank Secrecy Act* (BSA).
2. Office of the Comptroller of the Currency (OCC), FDIC, and National Credit Union Administration (NCUA) issue concurrent AML/CFT proposal aimed at modernizing provisions.
3. FinCEN and Office of Foreign Assets Control (OFAC) propose rule to implement the *GENIUS Act's* AML and sanctions program requirements.
4. FDIC Board advances proposal to implement *GENIUS Act* standards for FDIC-supervised payment stablecoin issuers.
5. Treasury's Office of Cybersecurity and Critical Infrastructure Protection (OCCIP) announces a new information sharing initiative.
6. FDIC and OCC finalize rule to eliminate the supervisory use of reputational risk.

Overview of Key Developments

1. FinCEN issued a [notice of proposed rulemaking](#) (NPRM) to update AML/CFT program requirements under the BSA, implementing reforms mandated by the *Anti-Money Laundering Act of 2020* (AML Act). The action is part of the U.S. Department of the Treasury's broader BSA modernization efforts and recenters AML/CFT program expectations around effectiveness and risk focus. The agency reinforces that institutions are best positioned to assess their own illicit finance risks and should deploy sufficient resources and more attention to higher-risk customers and activities. The proposal also incorporates FinCEN's AML/CFT Priorities into program requirements, which institutions are expected to review and incorporate in their risk assessment processes, where appropriate, after the rule is finalized.

The proposal would require covered financial institutions to establish and maintain an effective AML/CFT program, explicitly distinguishing program design, *i.e.*, establishment, from program operation, *i.e.*, maintenance. Establishing an effective AML/CFT program would include a risk-based framework that incorporates the following core pillars: internal policies, procedures, and controls including risk assessment processes; independent testing; designation of a U.S.-based AML/CFT officer accessible to the appropriate federal regulator(s); and an ongoing employee training program. Risk assessment practices would need to evaluate money laundering and terrorist financing risks across the enterprise and require updates when risks significantly change or alter the institution's risk profile.

For banks, the proposal would narrow significant supervisory or enforcement actions tied to implementation issues to cases involving significant or systemic failures, while preserving full enforcement authority for failures to establish an AML/CFT program. The proposal would also require federal banking agencies to consult with FinCEN before initiating significant AML/CFT supervisory actions.

This proposal would fully supersede and withdraw FinCEN's July 3, 2024 AML/CFT program notice of proposed rulemaking. In addition, this proposal is accompanied by a coordinated [joint notice of proposed rulemaking](#) issued by the FDIC, OCC, and NCUA. Public comments on the proposal are requested by June 9, 2026.

2. The OCC, FDIC, and NCUA approved the issuance of [a joint notice of proposed rulemaking](#) with the OCC and the NCUA to update AML/CFT program requirements for supervised institutions in coordination with FinCEN's concurrent AML/CFT Program NPRM. The proposal is intended to conform the agencies' program rules to FinCEN's updated framework under the BSA and the *Anti-Money Laundering Act of 2020*, rather than introduce a separate or divergent supervisory standard. Substantive AML/CFT reforms applicable to banks are described in detail in the **Recent Key Regulatory Developments** section below.

3. FinCEN and OFAC issued a [joint proposed rule](#) to implement the AML and sanctions compliance provisions of the *GENIUS Act*. The proposal would treat permitted payment stablecoin issuers (PPSIs) as financial institutions for purposes of the BSA and subject them to a compliance framework that closely mirrors the AML/CFT and sanctions compliance applicable to banks.

Under the proposed framework, PPSIs would be required to establish and maintain a written, risk-based AML/CFT program consistent with the core pillars of the BSA. This would include internal policies, procedures, and controls reasonably designed to ensure BSA compliance, supported by documented money laundering and terrorist financing risk assessment processes, risk mitigation measures including ongoing customer due diligence, independent AML/CFT testing, designation of an AML/CFT officer responsible for establishing and implementing the program, and an ongoing training program for employees and relevant stakeholders. PPSIs would also be subject to related BSA obligations, including suspicious activity reporting, record-keeping requirements, information sharing under Section 314(a), and the establishment of customer due diligence and monitoring processes.

The proposal would also impose bank-style sanctions compliance on PPSIs, requiring them to establish and maintain an effective sanctions compliance program consistent with OFAC's established framework, including a documented sanctions risk assessment, internal controls, independent testing and auditing, training, and senior management oversight. In addition, PPSIs would be required to implement technical capabilities, policies, and procedures to block, freeze, or reject transactions involving prohibited persons, jurisdictions, or activities, and to comply with lawful orders affecting the payment stablecoins they issue.

The proposal represents a significant expansion of regulatory expectations for nonbank stablecoin issuers by applying a comprehensive, bank-like AML/CFT and sanctions compliance framework tailored to issuer size, complexity, and risk profile, reinforcing Treasury's objective of mitigating illicit finance risks while supporting responsible innovation in payment stablecoins. Public comments are due by June 9, 2026.

4. On April 7, the FDIC Board of Directors met in an open session and advanced a [notice of proposed rulemaking](#) to implement *GENIUS Act* provisions for FDIC-supervised payment stablecoin issuers and FDIC-supervised custodians. The proposal sets standards governing payment stablecoin issuance and redemption, as well as capital, liquidity, operational resilience, and risk management requirements. It would require identifiable and segregated reserve assets, generally mandate redemption within two business days, require monthly public disclosure of reserve composition, and limit a PPSI's exposure to any single eligible financial institution to no more than 40% of total reserve assets.

The proposal also addresses custodial and safekeeping services related to payment stablecoins and clarifies that deposits held as reserves backing stablecoins would be insured to the issuer as corporate deposits but not insured to stablecoin holders on a pass-through basis. In addition, the proposal confirms that deposits recorded in tokenized form remain deposits for purposes of the *Federal Deposit Insurance Act* and are treated the same as traditional deposits for deposit insurance coverage.

5. On April 9, Treasury's OCCIP [announced a new information sharing initiative](#) to provide timely, actionable cybersecurity information to eligible U.S. digital asset firms and industry organizations. The move aims to help these organizations better identify, prevent, and respond to a growing cyberthreat environment targeting their customers and networks.

The action supplements the White House President's Working Group on Digital Asset Markets report, [Strengthening American Leadership in Digital Financial Technology](#), outlining a federal road map to expand and provide recommendations on supervisory topics across U.S. digital asset market structure, banking, payments and stablecoins, illicit finance, and taxation. The report was issued in response to directives under Executive Order 14178 and urges Congress to establish a fit-for-purpose market structure framework that would close oversight gaps while encouraging regulators to accommodate decentralized finance innovation. It also calls on the SEC and Commodity Futures Trading Commission (CFTC) to use existing authorities to provide clarity on registration, custody, trading, and record-keeping provisions, including tools such as safe harbors and regulatory sandboxes. For banks, the Working Group recommends clarity on permissible activities, including custody, tokenization, and stablecoin issuance, improved transparency around chartering and master account processes, and alignment of capital treatment to underlying risk. Further, the road map highlights implementation of the *GENIUS Act* for stablecoins, reinforcement of an anti-central bank digital currency position, BSA/AML modernization, and targeted tax guidance.

6. The FDIC and OCC released a [joint final rule](#) codifying the elimination of "reputation risk" from supervisory programs. The rule prohibits regulators from criticizing or taking adverse supervisory action against institutions based solely on reputation risk as well as from encouraging institutions to terminate customer relationships based on legally protected or lawful activities.

Recent Key Regulatory Developments

Joint Banking Agencies

Date	Topic	Summary
4/7	Agencies Seek Comment on Revised AML/CFT Program Requirements	The OCC, FDIC, and NCUA proposed modernizing AML/CFT program requirements under the AML Act of 2020 by strengthening risk-based standards, incorporating FinCEN's customer due diligence rules, limiting enforcement to significant or systemic program failures, enhancing FinCEN's supervisory role, and permitting information sharing with FinCEN.
4/7	OCC and FDIC Issue Final Rule Prohibiting Use of Reputation Risk in Supervision	The OCC and FDIC announced a final rule that removes reputation risk from supervision, prohibits regulators from pressuring banks to deny or terminate lawful customer or business relationships based on perceived reputational concerns, and preserves supervisory authority over traditional safety-and-soundness and compliance risks.

U.S Department of the Treasury

Date	Topic	Summary
4/8	Treasury Proposes Rule to Implement GENIUS Act Requirements for Payment Stablecoins	Treasury, through FinCEN and OFAC, has issued a proposed rule to implement the <i>GENIUS Act</i> by subjecting permitted payment stablecoin issuers to tailored anti-money-laundering and sanctions compliance requirements, aiming to mitigate illicit finance risks.
4/9	Treasury Extends Bank-Grade Cyberthreat Intelligence to Digital Asset Firms	Treasury announced a new cybersecurity information-sharing initiative that will provide eligible U.S. digital asset firms with the same timely, actionable cyberthreat intelligence shared with traditional financial institutions, aimed at strengthening operational resilience and protecting the broader financial system.

Federal Reserve Board

Date	Topic	Summary
4/8	Federal Reserve Proposes Allowing Intermediary Banks in FedNow Payments	The Fed is proposing amendments to Regulation J that would allow FedNow participants to use non-Reserve Bank intermediaries, enabling the service to support the U.S. domestic leg of cross-border payments while preserving existing funds-availability rules.

Federal Deposit Insurance Corporation

Date	Topic	Summary
4/3	FDIC Issues List of Banks Examined for CRA Compliance	The FDIC released its results of state non-member banks evaluated for <i>Community Reinvestment Act</i> (CRA) compliance.
4/7	FDIC Issues Proposed Rule to Implement GENIUS Act Stablecoin Standards	The FDIC issued a notice of proposed rulemaking to implement requirements under the <i>GENIUS Act</i> that would establish a prudential framework for FDIC-supervised payment stablecoin issuers, including standards for reserve assets, redemption, capital, risk management, custodial services, and the treatment of tokenized deposits under federal deposit insurance law.
4/10	FDIC Rescinds Supervisory Guidance on Multiple Re-Presentation NSF Fees	The FDIC rescinded its existing supervisory guidance on multiple re-presentation non-sufficient funds (NSF) fees, formally withdrawing prior expectations issued through Financial Institution Letters addressing consumer compliance risks associated with charging multiple NSF fees on the same unpaid transaction.

Recent Key Regulatory Developments

National Credit Union Administration

Date	Topic	Summary
4/7	NCUA Announces Ninth Round of Deregulation Proposals	The NCUA announced its ninth round of deregulation proposals, seeking comment on a targeted amendment to its chartering and field-of-membership rules that would remove automatic disqualification of certain associational groups and allow a more holistic eligibility review.
4/9	NCUA Reviews Deposit Clarifications and Agency Planning Priorities	The NCUA Board received briefings on new FAQs clarifying credit union participation in brokered and reciprocal deposits, along with updates on the agency’s deregulation initiative, 2026–2030 Strategic Plan, and 2026 Annual Performance Plan.

Securities and Exchange Commission

Date	Topic	Summary
4/7	SEC Reports Fiscal Year 2025 Enforcement Results	The SEC released its enforcement results for fiscal year 2025, reporting 456 enforcement actions and \$17.9 billion in monetary relief while describing a refocused enforcement program centered on fraud and conduct that directly harms investors and market integrity.

Commodity Futures Trading Commission

Date	Topic	Summary
4/9	CFTC Seeks Court Order to Block State Action Against Prediction Markets	The CFTC filed a motion in federal court seeking to enjoin Arizona from applying state criminal and gambling laws to CFTC-regulated prediction markets, arguing that federal law grants the Commission exclusive jurisdiction over event contracts and preempts state enforcement actions.

Financial Crimes Enforcement Network

Date	Topic	Summary
4/7	FinCEN Proposes Comprehensive Reform of AML/CFT Program Requirements	FinCEN issued a proposed rule to modernize and strengthen AML/CFT program requirements across covered financial institutions by requiring risk-based programs focused on effectiveness, clearer standards for program design and implementation, and enhanced FinCEN coordination in bank supervision.

Financial Accounting Standards Board

Date	Topic	Summary
4/6	FASB Adds New Research Project on Data Infrastructure and Private Credit Trends	FASB added a research project to monitor current trends and emerging issues in data infrastructure investments and nontraditional lending, including private credit, to assess whether existing accounting standards remain relevant and whether potential improvements are needed.

Deadlines & Compliance Calendar

Agency	Requirement	Due Date
Joint Agency	Comments due on AML & CFT Programs	Jun 9, 2026
	Comments due on FinCEN & OFAC joint proposal for GENIUS Act implementation	June 9, 2026
	Comments due on regulatory capital rule & the standardized approach for risk-weighted assets	Jun 18, 2026
	Comments due on regulatory capital framework for Category I & II banking organizations	Jun 18, 2026
FSOC	Comments due on the framework for nonbank financial company determinations	May 14, 2026
OCC	Comments due on bank appeals process proposal	Apr 20, 2026
	Comments due on proposal implementing GENIUS Act for OCC supervised entities	May 1, 2026
FRB	Comments due on removal of reputation risk from the FRB's supervisory programs	Apr 27, 2026
	Comments due on amendments to Regulation J (governing FedNow service)	Jun 9, 2026
	Comments due on G-SIB surcharge proposal	Jun 18, 2026
FDIC	Comments due on FDIC proposed application procedures to issue payment stablecoins	May 18, 2026
	Comments due on FDIC implementation of GENIUS Act	Jun 9, 2026
NCUA	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
	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

Deadlines & Compliance Calendar

Agency	Requirement	Due Date
NCUA	Comments due on federally insured credit union official & employee compensation	Apr 27, 2026
	Comments due on post-election training for new board members	Apr 27, 2026
	Comments due on record preservation, appendices-record retention & catastrophic act preparedness	May 11, 2026
	Comments on eliminating prescriptive regulations on third-party servicing of indirect vehicle loans	May 26, 2026
	Comments due on chartering and field of membership	June 8, 2026
SEC	Comments due on proposed amendments to Form N-PORT reporting requirements	Apr 24, 2026
	Comments due on FINRA arbitration rules & processes	May 1, 2026
CFTC	Comments due on proposed amendments to Rule 15c2-11	May 18, 2026
	Comments due on event contract derivatives traded on prediction markets	Apr 30, 2026
FinCEN	Comments due on whistleblower incentives and protections	June 1, 2026
	Comments due on AML and CFT Programs	Jun 9, 2026

Effective Rule Compliance Dates

Agency	Requirement	Compliance Date
Joint Agency	Prohibition on the use of reputation risk by regulators	Jun 9, 2026
	Enhanced supplementary leverage ratio, total loss-absorbing capacity, & 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 & the associated national bank-specific home loan data collection & recordkeeping requirements	Apr 3, 2026
	Rescission of OCC Guidelines Establishing Standards for Recovery Planning	May 1, 2026
FDIC	Rescission of the statement of policy on qualifications for failed bank acquisitions	Mar 23, 2026
	FDIC official signs & advertisement of membership	Apr 1, 2027
NCUA	Simplification of share insurance rules	Dec 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
	Application of the federal securities laws to certain types of crypto assets	Mar 23, 2026
	Compliance with amended FINRA capital acquisition broker rules	Mar 25, 2026
	Temporary exception for reporting qualifying overnight transactions prior to 8:00 a.m. ET	Mar 30, 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
FinCEN	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:

- Legislative
- Financial Stability Oversight Committee
- Federal Financial Institutions Examination Council
- Consumer Financial Protection Bureau
- 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.



[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.



[An Overview of the Modernization of the U.S. Regulatory Capital Framework](#)

A breakdown of proposals on Revised Standardized Approach, Basel III/ERBA, and G-SIB recalibration.



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

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



[SEC Allows Broker-Dealers to Use Equities as Collateral](#)

The SEC allows equity collateral under Rule 15c3-3, boosting flexibility with strong controls.



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

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

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