

FINREG Focus

U.S. Financial Services Regulatory Center Update

March 2, 2026

Executive Summary

This update's headline items:

1. The Office of the Comptroller of the Currency (OCC) issues proposed rule to implement provisions of the *GENIUS Act*
2. The U.S. prudential regulators outline "rightsizing" and other supervisory initiatives in remarks before the Senate
3. The OCC finalizes updates to its chartering rule

Overview of Key Developments

1. On February 25, the OCC issued a [notice of proposed rulemaking](#), marking a pivotal step in establishing a federal regulatory framework for payment stablecoins. The proposal would implement various provisions of the *GENIUS Act* and govern the issuance of payment stablecoins and related activities by national banks and their subsidiaries, federal savings associations, federal qualified payment stablecoin issuers, state qualified payment stablecoin issuers subject to OCC oversight, and certain foreign stablecoin issuers. The proposed rule introduces comprehensive standards covering licensing and application pathways, reserve requirements, redemption rights, risk management procedures, audits and independent review, and supervision, among other topics.

The proposal also addresses capital requirements with conforming amendments to capital adequacy and prompt corrective action provisions proposed to integrate stablecoin activities into the broader prudential framework. Notably, the proposal does not cover *Bank Secrecy Act*, anti-money laundering (BSA/AML), and sanctions compliance requirements, which will be addressed through separate rulemaking in coordination with the U.S. Department of the Treasury. The OCC is seeking public comment on all aspects of the proposal 60 days from the date of publication in the **Federal Register**. Forvis Mazars is tracking developments and plans to publish a more comprehensive perspective on the proposal's implications for banks, nonbanks, and the broader payments system.

2. The U.S. Senate Committee on Banking, Housing, and Urban Affairs [met in an open session](#) to conduct a hearing entitled, "Update from the Prudential Regulators: Rightsizing Regulation to Promote American Opportunity." Among the witnesses providing testimony were senior regulators of the OCC, Federal Reserve Board (FRB), FDIC, and National Credit Union Administration (NCUA) who outlined the recent supervisory tailoring initiatives underway at each respective agency.

[FRB Vice Chair for Supervision Michelle Bowman stated](#) that the banking system is sound and resilient, supported by strong bank capital and liquidity, asset quality improvement, continued growth in lending, and profitability. On supervision, Bowman highlighted tailoring initiatives to ensure the agency's regulatory and supervisory frameworks accurately reflect the risk that different bank business models pose. She noted that work is underway to revisit static statutory thresholds, the BSA/AML framework, capital requirements, merger and acquisition, and de novo chartering application processes for community banks. For large banks, updates to stress testing, supplemental leverage ratio requirements, and Basel III implementation are among the planned changes. Bowman also emphasized ongoing work under the *GENIUS Act* to establish capital and liquidity requirements for payment stablecoin issuers and clarify permissible digital asset activities.

FDIC Chair Travis Hill [described significant progress made on reforming supervision at the agency](#). Key initiatives include shifting supervision away from process heavy risk management and toward material financial risks, reforming on-site examinations, and undertaking a broad review of existing regulations, guidance, and examination manuals. Hill outlined reforms to specific topics, including defining “unsafe or unsound” practices, streamlining examinations for well-rated institutions, extending the consumer compliance examination cycle for well-rated community banks, and expanding access to independent supervisory appeals. In addition, Hill cited capital reform and modernization, resolution planning changes, efforts to encourage prudent adoption of innovative products and services, and modernization of AML and customer identification requirements.

[Comptroller Jonathan Gould focused](#) his remarks on efforts to restore risk-based supervision, the elimination of reputational risk from examinations, and addressing debanking concerns. He highlighted work to repropose capital rules, modernize BSA/AML oversight, support bank chartering, and implement the *GENIUS Act*.

[NCUA Chair Kyle Hauptman highlighted](#) a formal deregulation initiative to remove obsolete and duplicative rules for credit unions. Hauptman also noted that the NCUA has issued a licensing framework proposal under the *GENIUS Act*, in addition to prioritizing examination reform, supporting financial innovation and artificial intelligence (AI) adoption, and streamlining chartering for smaller institutions.

3. The OCC [finalized its rule](#) outlining the agency's authority to charter national banks whose activities are limited to the operations of a trust company and related functions. The rule updates 12 CFR 5.20 to align with the OCC's statutory authorization to charter national banks limited to the operations of a trust company and related activities, such as custody and safekeeping services. While the final rule significantly adopts the rule as proposed, dated January 12, 2026, the term “fiduciary activities” was replaced with “the operations of a trust company and activities related thereto,” to align with 12 U.S.C. 27(a) and clarify the provision. While the rule does not introduce new compliance requirements, the agency aims to eliminate ambiguity, reinforce longstanding supervisory practice, and ensure consistent interpretation of its chartering authority moving forward.

Recent Key Regulatory Developments

Federal Reserve Board

Date	Topic	Summary
2/26	Federal Reserve Proposes Rule Prohibiting Use of “Reputation Risk” to Influence Banking Decisions	FRB issued a proposed rule that would codify the removal of reputation risk from its supervisory programs and prohibit examiners from encouraging banks to deny or condition services based on constitutionally protected beliefs or politically disfavored activities.

Office of the Comptroller of the Currency

Date	Topic	Summary
2/24	OCC Seeks Public Comment on Renewal of “Reg E—Prepaid Accounts” Information Collection	OCC is requesting public input on its proposed renewal of the “Reg E—Prepaid Accounts” information collection, including feedback on the necessity, burden, and potential improvements to the data requirements. Comments are due by March 26, 2026.
2/25	OCC Proposes Rule to Implement GENIUS Act Stablecoin Framework	OCC issued a notice of proposed rulemaking to implement the <i>GENIUS Act</i> for payment stablecoin issuance and related activities by entities under its jurisdiction.
2/27	OCC Clarifies National Trust Bank Chartering Authority	OCC finalized a rule amending its national bank chartering regulations to clarify that national trust banks may engage in non-fiduciary activities that are part of the operations of a trust company and activities related thereto, consistent with the <i>National Bank Act</i> , effective April 1, 2026.

Federal Deposit Insurance Corporation

Date	Topic	Summary
2/24	FDIC Reports Fourth-Quarter Performance Across Insured Institutions	FDIC released its latest <i>Quarterly Banking Profile</i> , indicating solid overall financial performance with FDIC-insured institutions reporting a 1.24% return on assets and \$77.7 billion in net income as full-year earnings rose 10.2%. The results reflect strong capital and liquidity levels, steady loan and deposit growth, and generally favorable asset quality metrics despite pressure in the commercial real estate and consumer portfolios.

National Credit Union Administration

Date	Topic	Summary
2/24	NCUA Announces Sixth Round of Deregulation Proposals	NCUA is seeking public comment on six proposed rule changes designed to streamline regulations, eliminate duplicative requirements, and enhance flexibility for federally insured credit unions.

Consumer Financial Protection Bureau

Date	Topic	Summary
2/26	CFPB Issues Technical Correction to Equal Credit Opportunity Act (Regulation B) Proposed Rule	CFPB published a technical correction to its previously issued proposed rule under the <i>Equal Credit Opportunity Act</i> (Regulation B) to conform the regulatory text to the version submitted by the Bureau in November 2025, without making substantive policy changes.

Securities and Exchange Commission

Date	Topic	Summary
2/23	SEC Proposes Changes to Form N-PORT Reporting Requirements	SEC proposed amendments to Form N-PORT reporting that would give registered funds additional time to file monthly reports, restore quarterly public disclosure, and streamline certain data items to reduce reporting burdens. Comments are due by April 24, 2026.
2/23	FINRA Adopts Amendments to the Capital Acquisition Broker Rules	FINRA adopted amendments to the Capital Acquisition Broker (CAB) rules to update regulatory requirements while preserving the CAB limited institutional business model and key investor protections. Changes are effective March 25, 2026.
2/24	SEC Announces Updates to Enforcement Manual	SEC's Division of Enforcement announced significant updates to its Enforcement Manual to strengthen fairness, transparency, and efficiency in investigations, including changes to the Wells process and a commitment to annual reviews of the manual.
2/26	SEC Announces Roundtable on Private Markets Valuation as Retail Investor Access Accelerates	SEC announced it will host a March 4 roundtable to discuss private market valuation practices and governance considerations as retail investors gain increased access to private market investments.
2/27	SEC Adopts Final Rules Under the Holding Foreign Insiders Accountable Act (HIFA)	SEC adopted final rules implementing the HIFA, requiring directors and officers of foreign private issuers to publicly disclose their equity holdings and transactions under Section 16, aligning foreign insider reporting with U.S. standards effective March 18, 2026.

Commodity Futures Trading Commission

Date	Topic	Summary
2/26	CFTC Staff Reissues Letter 25-50 to Expand No-Action Relief for CPO Delegation Arrangements	CFTC reissued Staff Letter 25-50 to add an additional no-action position permitting certain Commodity Pool Operator (CPO) delegation arrangements, including those involving Qualified Eligible Person (QEP) no-action CPOs, to avoid CPO registration when specified conditions are satisfied.

Financial Accounting Standards Board

Date	Topic	Summary
2/25	FASB Adds Targeted Hedge Accounting Improvements to Its Technical Agenda	FASB met to discuss feedback received on risk management and hedge accounting in response to the 2025 Invitation to Comment, Agenda Consultation (2025 ITC). The group voted to add the “Targeted Improvements to Hedge Accounting for Interest Rate Risk and Net Foreign Investments” to its technical agenda.

Basel Committee on Banking Supervision

Date	Topic	Summary
2/25	Basel Committee Discusses Recent Market Developments and Targeted Review of Crypto Asset Standard	The Basel Committee on Banking Supervision (BCBS) reviewed recent global banking and market developments, highlighted vulnerabilities in government bond-backed repo markets, and noted progress on a targeted review of its prudential standards for crypto assets. In addition, the group approved technical updates to standardized approach to operational risk and a response to a frequently asked question on the market risk framework, which are expected to be published in March 2026.
2/26	Basel Committee Issues a Consolidated Version of its Guidelines	BCBS published a consultation on a consolidated version of its guidelines and sound practices to improve accessibility and streamline guidance materials.

Deadlines & Compliance Calendar

Agency	Requirement	Due Date	
OCC	Comments due on OCC's proposed heightened standards threshold update	Mar 2, 2026	
	Comments due on renewal of "Reg E – Prepaid Accounts" information collection	Mar 26, 2026	
	Comments due on Bank Appeals process proposal	Apr 20, 2026	
FRB	Comments due on Fed'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 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	
	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	
	NCUA	Comments due on proposed renewal, extension, & revision of existing information collection	Mar 30, 2026
		Comments due on PPSI applications	Apr 13, 2026
		Comments due on organization and operation of FCUs	Apr 13, 2026
		Comments due on mergers of Insured Credit Unions and 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	

Deadlines & Compliance Calendar

Agency	Requirement	Due Date
NCUA	Comments due on streamlining regulations for the purchase, sale, and pledge of eligible obligations	Apr 27, 2026
	Comments due on FICU official and 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" and "small organization" definitions	Mar 13, 2026
	Comments due on proposed amendments to Form N-PORT reporting requirements	Apr 24, 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
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	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:

- Legislative
- Financial Stability Oversight Committee
- Federal Financial Institutions Examination Council
- Financial Crimes Enforcement Network
- Financial Stability Board
- 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.



[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.



[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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