

# CONSUMER COMPLIANCE OUTLOOK®

A FEDERAL RESERVE SYSTEM PUBLICATION FOCUSING ON CONSUMER COMPLIANCE TOPICS

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## TOP-CITED FEDERAL RESERVE SYSTEM COMPLIANCE VIOLATIONS IN 2024 UNDER THE FLOOD DISASTER PROTECTION ACT

BY JACK HUSMANN, EXAMINER, FEDERAL RESERVE BANK OF KANSAS CITY

The Flood Disaster Protection Act of 1973 (FDPA)<sup>1</sup> requires local communities with a high risk of floods to adopt ordinances to reduce future flood losses and to participate in the National Flood Insurance Program (NFIP) as a condition of receiving federal flood assistance. The FDPA also prohibits regulated lending institutions from making, increasing, extending, or renewing a loan secured by improved real estate or a mobile home that is in, or will be in, a special flood hazard area (SFHA) in a participating community, unless the property securing the loan is covered by flood insurance.<sup>2</sup> Loans requiring flood insurance are defined as *designated loans* in the FDPA’s implementing regulations.<sup>3</sup>

### FLOOD INSURANCE COMPLIANCE VIOLATIONS

Although the FDPA was enacted more than 50 years ago, violations of its requirements regularly appear in the Federal Reserve’s list of top-cited compliance violations. The other federal regulatory agencies that enforce the FDPA also frequently cite these violations. A review of 2024 examination data of state member banks, for which the Federal Reserve is the primary federal regulator, listed the following top-cited violations of Regulation H, the Federal Reserve’s FDPA implementing regulation:

- Originating designated loans with an insufficient amount of insurance
- Failing to provide the required notice to borrowers when they apply for a designated loan
- Failing to identify lapses in coverage and force place insurance when necessary

### REGULATORY REQUIREMENTS

#### Requirement to Purchase Flood Insurance Where Available: 12 C.F.R. §208.25(c)(1)

“A member bank shall not make, increase, extend, or renew any designated loan unless the building or mobile home and any personal property securing the loan is covered by flood insurance for the term of the loan. The amount of insurance must be at least equal to the lesser of the outstanding principal balance of the designated loan or the maximum limit of coverage available for the particular type of property under the Act. Flood insurance coverage under the Act is limited to the building or mobile home and any personal property that secures a loan and not the land itself.”

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# TOP FEDERAL RESERVE SYSTEM VIOLATIONS IN 2024: REGULATION E ERROR RESOLUTION REQUIREMENTS

BY KEVIN O'CONNOR, SENIOR SUPERVISORY EXAMINER, FEDERAL RESERVE BANK OF BOSTON

*Consumer Compliance Outlook (CCO)* regularly publishes articles that leverage Federal Reserve supervisory data. These articles are designed to enhance the transparency of the Federal Reserve's consumer compliance supervisory activities and provide practical steps that institutions may consider when addressing certain consumer compliance risks.

The 2024 supervisory data show that violations of the Electronic Fund Transfer Act (EFTA), as implemented by Regulation E, were among the top-cited consumer compliance violations in examinations and the source of numerous complaints against state member banks during that year.<sup>1</sup> This article discusses Regulation E violations, examiner observations, and sound practices to mitigate associated compliance risks. Our format is to list the regulation's requirements, discuss the violation of the requirement that examiners cited, and then review sound practices and risk mitigants.

## EFTA — REGULATION E

The EFTA and Regulation E provide the legal framework for the rights, liabilities, and responsibilities of participants in electronic fund transfers (EFT) involving a consumer's checking, savings, or certain other asset accounts held by a financial institution.<sup>2</sup>

## REGULATORY REQUIREMENTS

### Time Frames for Investigating Errors: 12 C.F.R. §1005.11(c)

If a consumer notifies a financial institution that an error occurred with an EFT, §1005.11(c) requires the institution to investigate the error within certain time frames, notify the consumer of its findings, and correct the error, if applicable.

**Ten Business Days:** A financial institution shall promptly investigate and determine whether an error occurred within 10 business days of receiving a notice of error.<sup>3</sup> The bank is not required to provide provisional credit.

**Forty-Five Days:** If the institution is unable to complete its investigation within 10 business days from the receipt of a notice of error to investigate and determine if an error occurred, it may take up to 45 days provided it does the following:<sup>4</sup>

- provisionally credits the consumer's account for the amount of the alleged error within 10 business days of receiving the error notice;<sup>5</sup> and

- informs the consumer within two business days after provisional crediting and provides full use of the funds during the investigation.<sup>6</sup>

Note: An institution is not required to provisionally credit a consumer's account to extend the time period for an investigation to 45 days if, among other things, the institution requires but does not receive written confirmation within 10 business days of an oral notice of error.<sup>7</sup> However, an institution may not delay investigating an oral notice of error pending the receipt of written confirmation from the consumer.<sup>8</sup>

**Permissible Extensions:** The 10-business day time frame outlined above is extended to 20 business days if the notice of error involves an EFT to or from the account within 30 days after the first deposit to the account was made.<sup>9</sup>

Further, the 45-day time frame described above increases to 90 days if a notice of error involves an EFT that was not initiated within a state, was the result of a point-of-sale debit card transaction, or occurred within 30 days after the first deposit to the account was made.<sup>10</sup>

Regardless of the length or level of the investigation, the financial institution shall correct the error within one business day after determining that an error occurred and report the results to the consumer within three business days after completing its investigation.<sup>11</sup> Notifications to the consumer required by §1005.11(c) may be made orally or in writing, unless the regulation specifies otherwise.<sup>12</sup>

**Promptly Investigating.** Examiners found that some financial institutions were not promptly initiating error resolution investigations after the consumer notified them orally of an error, in violation of §1005.11(c). These errors typically occurred because staff lacked expertise, were not provided adequate Regulation E training, or had unclear policies and procedures. One common misconception is that an institution's duty to investigate an alleged error is triggered only when the consumer submits a written notice. But Comment 11(c)-2 of the Official Staff Commentary for Regulation E specifically clarifies that "a financial institution must begin its investigation promptly *upon receipt of an oral notice. It may not delay until it has received a written confirmation* (emphasis added)." Moreover, if consumers discover unauthorized transactions in their bank account, they are more likely to call the bank because of the urgency

of mitigating the risk of additional unauthorized transactions. Reminding staff of this requirement during Regulation E training can help prevent violations.

**Notifying Consumers of Investigation Results:** Examiners observed that some financial institutions were not properly notifying consumers that errors had been corrected and that the consumer's account had been credited. If a financial institution determines an error occurred as the consumer alleged, it must provide oral *or* written notice within three business days after completing the investigation.<sup>13</sup> If an institution determines that no error or a different error occurred, it must provide *written* notice within three business days.<sup>14</sup> These violations were caused by a lack of understanding of the Regulation E notice requirements. Further, in some cases, gaps in internal reviews and audit coverage caused these violations to go undetected.

**Providing Provisional Credit:** Examiners cited institutions for violating §1005.11(c)(2)(i), which requires an institution to provide provisional credit for the amount of the alleged error within 10 business days of receiving an error notice if the institution could not complete its investigation within 10 business days. An exception to the provisional credit requirement applies if the institution requests written confirmation of an error that was orally reported but does not receive it within 10 business days.<sup>15</sup> That exception did not apply for the banks that were cited.

Examiners also cited institutions that provisionally credited accounts but failed to provide consumers with full access to and use of the funds during the investigation. These errors occurred because the institutions, and the third-party vendors responsible for providing provisional credit on the institution's behalf, lacked effective procedures and controls to ensure compliance with Regulation E. To address this risk, the compliance department could meet with the vendor to review Regulation E's requirements to ensure that when the system provides provisional credit, the consumer has access to the funds.

**Providing Notice of Provisional Credit:** Examination reports indicated that some financial institutions provided the notice of provisional credit outside of regulatory time frames and without the information Regulation E requires. These violations occurred because financial institutions failed to adequately oversee the third parties responsible for fulfilling critical error resolution functions. For example, in some cases, examiners found that provisional credit notices were sent outside of the regulatory time frames because the institution's vendor delayed generating and delivering these notices. In other cases, violations occurred because the institution relied on template notices generated by third-

party software that did not include required information and/or information necessary for the institution to monitor compliance. For example, while some institutions permissibly notified customers orally, they failed to appropriately document the date on which the notifications were made. As a result, they were unable to monitor and establish that notices were delivered in a timely manner.

**Correcting Errors:** Examiners cited institutions for failing to correct errors within one business day of completing the investigation and notifying the consumer that the investigation was complete. These violations typically occurred because banks failed to provide adequate resources and training for the error resolution process.

## REGULATORY REQUIREMENTS

### **Procedures if a financial institution determines no error or different error occurred: 12 C.F.R. §1005.11(d)**

If an institution concludes that no error occurred or the error was different from what the consumer described, it must follow the procedures in 12 C.F.R. §1005.11(c), as well as these requirements:

**“(1) Written explanation.** The institution’s report of the results of its investigation shall include a written explanation of the institution’s findings and shall note the consumer’s right to request the documents that the institution relied on in making its determination. Upon request, the institution shall promptly provide copies of the documents.

**(2) Debiting provisional credit.** Upon debiting a provisionally credited amount, the financial institution shall:

(i) Notify the consumer of the date and amount of the debiting;

(ii) Notify the consumer that the institution will honor checks, drafts, or similar instruments payable to third parties and preauthorized transfers from the consumer’s account (without charge to the consumer as a result of an overdraft) for five business days after the notification. The institution shall honor items as specified in the notice, but need honor only items that it would have paid if the provisionally credited funds had not been debited.”

## **Examiner Observations**

**Providing Written Explanation of Findings:** Examiners cited institutions for failing to provide sufficient written explanation of the results of an investigation, failing to provide a notice to the consumer of the right to request the documents that the institution relied on in making its determination, and failing to provide copies of the documents that it relied on in making its error determination when the consumer requested the documents.

In some cases, the institution failed to provide an adequate explanation, using generic language, such as “no error.” These violations were the result of insufficient templates generated by the institution’s dispute tracking system. Other violations occurred because the financial institution’s third party failed to provide copies of the documents relied on in making its error determination. Further, ineffective controls and procedures at the financial institution and the third party caused these violations to occur and go undetected.

**Providing Notice When Provisional Credit Is Reversed:** Examination reports revealed that some financial institutions failed to notify consumers when the institutions reversed provisional credit. These violations were caused by failing to provide adequate staff training, weaknesses in procedures, and gaps in internal controls. Additionally, some violations were caused by reliance on an inadequate notice generated by the institution’s third-party provider.

## **Root Causes**

Examiners determined that violations of §1005.11(d) were largely attributable to weaknesses in third-party risk management practices, including oversight of the functions provided by the third parties, the use of third-party templates as well as weaknesses or gaps in Regulation E staff training, policy and procedure documents, and internal controls.

## **SOUND PRACTICES TO MITIGATE REGULATION E RISKS**

**Overseeing Third-Party Activities:** When a financial institution engages third parties to fulfill error resolution obligations, the financial institution should provide appropriate oversight of the activities the third parties are conducting on the institution’s behalf. Additionally, when third-party software is used to generate required notices, institutions should ensure that templates for those notices are accurate and include the necessary information to monitor and evidence compliance.

**Maintaining Detailed Procedures:** Adopting sufficiently detailed error resolution procedures can help ensure staff

comply with regulatory requirements. Procedures may include, but are not limited to, instructions for gathering sufficient and accurate information upon notice of an error by a consumer, what constitutes a thorough investigation, how consumer engagement should occur, and how to document the process throughout. To the extent that error resolution processes are outsourced to third parties, financial institutions should ensure that the third parties maintain procedures reasonably designed to comply with error resolution provisions.

**Conducting Regular Training:** Training helps to proactively prevent or minimize violations. The requirements of §1005.11 are technical and nuanced. Periodic training can help to reinforce compliance staff’s understanding of the requirements and clarify any ambiguities. Effective training should not only include information about the Regulation E requirements, but also provide clear guidance on the institution’s internal procedures and processes for resolving errors.

**Conducting Secondary Reviews:** A second review by experienced Regulation E staff of errors alleged by consumers can help mitigate the risk that a violation occurred during the initial investigation and resolution of the error. Suppose, for example, a consumer notifies the bank of unauthorized transactions after his debit card is lost, mentioning that his PIN was written on the card. A bank employee fielding the notification who erroneously believes the consumer’s actions eliminate the bank’s obligation to reimburse the consumer would violate Regulation E’s requirement that a consumer’s negligence does not affect his liability for unauthorized transactions.<sup>16</sup> A secondary review could flag this violation.

**Monitoring Regulation E Compliance:** Management can regularly monitor the effectiveness of its controls, including Regulation E processes and procedures. To do this, management may consider conducting periodic reviews of notices of error, and completed investigations, to ensure that staff are adhering to established procedures and deadlines. Reviewing data points can also help identify violations; for example, the institution may benefit from periodic reviews of a sample of error investigations to ensure it complied with the regulation. Maintaining appropriately detailed monitoring mechanisms and tracking reports helps to ensure errors are resolved in a timely manner, accounts are properly credited or debited, and consumers are provided with necessary notifications, regardless of whether the error resolution activities are performed in-house or by a third party.

**Enhancing Consumer Complaint Review:** To help ensure compliance, institutions can regularly review complaint activity to identify and address Regulation E errors that may not have been identified through monitoring reviews or audits.



## CONCLUSION

This article discussed common Regulation E violations Federal Reserve examiners cited in 2024 and sound risk practices institutions can consider to help mitigate compliance risk. Specific issues and questions related to Regulation E should be raised with your primary regulator. ■

## RESOURCES

- Scott Sonbuchner, “Error Resolution Under Regulation E: Examiner Insights and Common Violations,” *CCO* (Third Issue 2025)
- Kenneth Benton, “Error Resolution Procedures Under the Electronic Fund Transfer Act and Regulation E,” *CCO* (Third Issue 2025)
- Kate Loftus, “Top Federal Reserve System Violations in 2022: Regulation E Error Resolution Requirements and Regulation X Escrow Account Requirements,” *CCO* (Fourth Issue 2023)
- Scott Sonbuchner, “Error Resolution and Liability Limitations Under Regulations E and Z: Regulatory Requirements, Common Violations, and Sound Practices,” *CCO* (Second Issue 2021)
- Kathleen Benson, “Enhancing Your Compliance Training Program,” *CCO* (First Issue 2019)
- Kenneth Benton and Robert Sheerr, “Error Resolution Procedures and Consumer Liability Limits for Unauthorized Electronic Fund Transfers,” *CCO* (Fourth Quarter 2012)
- Cathryn Judd and Mark Jennings, “Vendor Risk Management — Compliance Considerations,” *CCO* (Fourth Quarter 2012)

## ENDNOTES\*

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<sup>1</sup> “2024 Aggregate Supervisory Data for Institutions the Federal Reserve Supervises,” *CCO* (First Issue 2025). The 2022 and 2023 aggregate supervisory data revealed similar numbers. See “Introducing Our New Format,” *CCO* (First Issue 2023) and “Recent Supervisory Data for Institutions the Federal Reserve Supervises,” *CCO* (First Issue 2024).

<sup>2</sup> 12 C.F.R. §1005.2(b)(1).

<sup>3</sup> 12 C.F.R. §1005.11(c)(1).

<sup>4</sup> 12 C.F.R. §1005.11(c)(2).

<sup>5</sup> 12 C.F.R. §1005.11(c)(2)(i).

<sup>6</sup> 12 C.F.R. §1005.11(c)(2)(ii).

<sup>7</sup> 12 C.F.R. §1005.11(c)(2)(i)(A).

<sup>8</sup> 12 C.F.R. §1005.11(c), Comment 11(c)-2.

<sup>9</sup> 12 C.F.R. §1005.11(c)(3)(i).

<sup>10</sup> 12 C.F.R. §1005.11(c)(3)(ii).

<sup>11</sup> 12 C.F.R. §1005.11(c)(1), (c)(2)(iii), and (c)(2)(iv).

<sup>12</sup> 12 C.F.R. §1005.11(c), Comment 11(c)-1.

<sup>13</sup> 12 C.F.R. §1005.11(c)(1) for 10-day investigations, §1005.11(c)(2)(iv) for 45-day investigations.

<sup>14</sup> 12 C.F.R. §1005.11(d) and (d)(1).

<sup>15</sup> 12 C.F.R. §1005.11(c)(2)(i)(A).

<sup>16</sup> 12 C.F.R. §1005.6(b), Comment 6(b)-2: “Negligence by the consumer cannot be used as the basis for imposing greater liability than is permissible under Regulation E. Thus, consumer behavior that may constitute negligence under state law, such as writing the PIN on a debit card or on a piece of paper kept with the card, does not affect the consumer’s liability for unauthorized transfers.”

\* Note: The links for the references listed in the Endnotes are available on the *Consumer Compliance Outlook* website at [consumercomplianceoutlook.org](https://consumercomplianceoutlook.org).

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## THANK YOU, KATHLEEN BENSON

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In 2017, *Consumer Compliance Outlook (CCO)* created a writers’ cohort of supervisory staff at the Reserve Banks to contribute articles to *CCO*. Kathleen Benson, an original member of the cohort, recently retired. We want to thank Kathleen and acknowledge her contributions.

Kathleen was a supervisory examiner at the Federal Reserve Bank of Chicago. She joined the cohort in 2017 and has published the following articles in *CCO*:

- “Consumer Compliance Requirements for Commercial Products and Services” (First Issue 2024)
- “Enhancing Your Compliance Training Program” (First Issue 2019)
- “Compliance Risk Assessments” (Second–Third Issue 2023)
- “The Benefits of a Proactive Compliance Program” (Third Issue 2020)

**Kathleen: Your articles are some of *CCO*’s most popular, for which we received several reprint requests. Thank you for participating in the cohort and writing articles for the publication!**

# 2024 AGGREGATE CONSUMER COMPLAINT DATA FOR FEDERAL RESERVE–SUPERVISED INSTITUTIONS

BY KENNETH J. BENTON, PRINCIPAL CONSUMER REGULATIONS SPECIALIST, AND NICHOLAS SMUZ, LEGAL INTERN, FEDERAL RESERVE BANK OF PHILADELPHIA

Federal Reserve staff identify and investigate possible violations of consumer protection laws through the Federal Reserve System’s consumer complaint and consumer inquiry programs. Through these programs, staff answer consumers’ questions, explain consumer rights under federal law, investigate complaints against entities supervised by the Federal Reserve, and refer complaints about other entities to the appropriate agency. Consumer complaints are a critical component of the risk-focused supervisory program. The Federal Reserve uses data on consumer complaint activity in its supervisory processes when monitoring financial institutions, scoping and conducting examinations, and analyzing applications.

—Board of Governors of the Federal Reserve System<sup>1</sup>

The Federal Reserve System (Federal Reserve) is the primary federal regulator for the 705 state-chartered banks (as of December 2025) with membership in the Federal Reserve (known as state member banks or SMBs).<sup>2</sup> The Federal Reserve also has supervisory responsibility for bank holding companies and certain other financial entities.<sup>3</sup>

To ensure compliance with the consumer protection laws it is charged with enforcing, the Federal Reserve collects, analyzes, monitors, and responds to consumer complaints it receives against SMBs and selected nonbank subsidiaries of bank holding companies. The complaint data inform the Federal Reserve’s understanding of consumer protections risks and issues. Complaints against an institution outside of the Federal Reserve’s jurisdiction are forwarded to the agency with supervisory authority over that institution. Complaint trends are reported to Congress annually.<sup>4</sup>

The Federal Reserve’s complaint data can help financial institutions by identifying common consumer issues in banking of which an institution may not be aware. An institution could review its complaints logs to see where its complaint data align with the Federal Reserve’s data, test its compliance risk management procedures and controls in these areas, and provide suggestions to its customers to address pain points. For example, inaccurate information in a consumer’s credit report is a common complaint topic in the Federal Reserve’s data and in the complaint data of the Federal Trade Commission (FTC)<sup>5</sup> and the Consumer Financial Protection Bureau (CFPB).<sup>6</sup> If an institution found its customers were also filing complaints on this issue, it could consider posting information on its website and on periodic statements for credit products explaining the procedures to dispute information in a credit report with the three national consumer reporting agencies or with the furnisher directly.

In this article, we discuss the themes and trends of the 8,355 consumer complaints the Federal Reserve received, investigated, and closed in 2024 for the institutions under its supervisory authority (Table 1). Additionally, we highlight the bank products that received the most complaints as well as high-volume complaint issues and actions taken in response to a complaint investigation. We conclude with lessons community banks may glean from the complaint data themes to enhance their overall consumer compliance risk management programs.

## COMPLAINT PRODUCTS MIX

Of the total complaints investigated and closed in 2024, the products receiving the highest volume of complaints were deposit accounts (57 percent), prepaid cards (25 percent), and credit cards (14 percent). All other types of bank products and services accounted for less than 10 percent of complaint volumes (see Table 2; categories are in bold).

## 2024 TOP 10 COMPLAINT CATEGORIES

Here are examples of the common types of complaint allegations within each category.

### *Restricted/Blocked Accounts*

Most complaints in this category involved prepaid cards and deposit accounts, and a high percentage of these involved mobile banking services. Consumers alleged that access to their accounts was blocked because they reported identity theft or unauthorized transactions. Additionally, several consumers stated they experienced significant hardship when accounts were blocked over extended time frames, especially when the accounts contained wages or government benefit payments.

**TABLE 1: Top 10 Consumer Complaints in 2024 for State Member Banks**

	Complaint Topic	Number of Complaints	Percentage of All Complaints
1.	Restricted/Blocked Accounts	3,114	37.27
2.	Fraud/Forgery	1,307	15.64
3.	Error Resolution	926	11.08
4.	Funds Availability/Withdrawals/Unable to Access Funds	862	10.32
5.	Credit Reporting	660	7.90
6.	Fees/Terms/Rates	237	2.84
7.	Account Closures	223	2.67
8.	Applications/Account Openings	198	2.37
9.	Debt Validation	127	1.52
10.	Inability to Repay	103	1.23
<b>Complaints in Top 10 Categories</b>		<b>7,757</b>	<b>92.84</b>
<b>Total Complaints</b>		<b>8,355</b>	<b>100</b>

**TABLE 2: Complaints Against State Member Banks and Selected Nonbank Subsidiaries of Bank Holding Companies by Product and Subject of Complaint in 2024**

Product/Subject of Complaint	Percentage of All Complaints
<b>Deposit/Bank Products</b>	<b>57</b>
Restricted/Blocked Accounts	25
Fraud/Forgery	9
Deposit Error Resolution	8
Funds Availability Not As Expected	8
Other	7
<b>Prepaid Accounts</b>	<b>25</b>
Restricted/Blocked Accounts	16
Error Resolution	3
Fraud/Forgery	3
Inability to Withdraw Funds on the Card	2
Other	1
<b>Credit Card Accounts</b>	<b>14</b>
Inaccurate Credit Reporting	5
Fraud/Forgery	4
Request to Validate the Debt Owed	1
Other	4
<b>Nondeposit/Bank Services</b>	<b>2</b>
<b>Other Products</b>	<b>1</b>
<b>Real Estate Loans</b>	<b>1</b>

Note: Other products include commercial products, nondeposit products, vehicle loans, customer service, and bank services. Real estate loans include adjustable-rate mortgages, residential construction loans, open-end home equity lines of credit, home improvement loans, home purchase loans, home refinance/closed-end loans, and reverse mortgages.

### ***Fraud/Forgery***

A large percentage of fraud/forgery complaints involved identity theft affecting deposit, credit card, and prepaid card accounts. Consumers reported accounts were opened without their authorization (including receiving unsolicited debit and credit cards) and fraudulent activity on existing accounts. In several instances, consumers noted they were victims of scams, data breaches, or counterfeited and altered checks.

### ***Error Resolution***

Complaint allegations primarily related to deposits and prepaid cards, and a substantial majority of these complaints involved mobile banking services. Generally, consumers disputed unauthorized electronic account withdrawals. Consumers often noted that the unauthorized withdrawals resulted from fraud and scams, disputed purchases, or person-to-person transfer errors. Consumers also disputed unanticipated bank fees that they stated were applied in error.

### ***Funds Availability***

More than half of the complaints in this category involved bank prepaid cards and mobile banking services. Consumers often alleged they were not given timely access to tax refunds and other specific types of deposits or could not activate prepaid cards. Some complaints alleged that consumers' funds were held because of bank concerns about potentially fraudulent or suspicious activity by the consumer or a third party. Consumers also reported delays in completing bank error resolution investigations that resulted in funds not being available for unreasonably long periods.

### ***Credit Reporting***

Most of the credit reporting complaints were grouped into two categories:

- allegations that banks failed to report, or misreported, data to the consumer reporting agencies, and
- requests for the consumer reporting agencies to remove accounts and inquiries that resulted from fraud or identity theft.

### ***Fees/Terms/Rates***

This category includes general complaints about all types of deposit and loan fees, rates, and terms. Complaints involved a wide range of bank products and services but were primarily related to credit cards and mobile banking. This category also included complaints alleging that banks failed to honor specific account terms and promotional offers. The complaints involved fees for credit card activation, overdrafts, late and returned items, account maintenance, and automated teller machine use.

### ***Account Closures***

Complaints in the account closure category were largely related to deposit products and credit cards. In several complaints, consumers alleged accounts were not closed when requested, accounts were closed unexpectedly, or closing fees were improperly assessed. Consumers also reported that the remaining funds in closed accounts were not returned in a timely manner and that rewards, bonuses, and other promotions were not honored after accounts were closed.

### ***Applications/Account Openings***

Application/account opening complaints generally involved deposits and credit cards. Complaint allegations included banks not approving consumers' requests to open loan or deposit accounts and that, after accounts were opened, account terms differed from what was disclosed or expected. Moreover, consumers disputed bank account opening policies, procedures, and disclosures. Included in this category were complaints about card activation policies and adverse action notices.

### ***Debt Validation***

Most complaints in this category involved a bank or debt collector erroneously reporting a delinquent loan to consumer reporting agencies in the name of a consumer who did not apply for or otherwise become responsible for the loan.

### ***Inability to Repay***

This category involved complaints in which consumers sought assistance for a loan they could not repay because they were experiencing financial hardship.

## **INVESTIGATION FINDINGS**

In most cases, the Federal Reserve Bank with supervisory responsibility for the bank for which the consumer filed the complaint will notify the consumer in writing of the investigation results. Some investigations concluded that banks violated federal consumer protection laws and regulations or that bank errors unrelated to regulatory violations occurred. If applicable, banks were ordered to provide restitution to the consumer for violations.<sup>7</sup> In other cases, the Reserve Bank determined the bank complied with federal consumer protection laws and regulations. Finally, when a complaint concerned an institution for which another federal regulator had jurisdiction, the complaint was referred to that agency to investigate.

While the number of complaints alleging violations and bank errors increased from 6,012 in 2023 to 8,355 in 2024, the number of complaint investigations concluding a violation or error occurred remained low. Less than 1 percent of the 8,355

complaint investigations found regulatory violations or bank errors.

Table 3 shows the top violations cited in response to consumer complaints.

As Table 3 shows, the largest number of cited violations resulting from complaint investigations over the past five years involved Regulation E error resolution procedures for deposit accounts and prepaid cards. In 2024, 66.2 percent of the cited violations involved Regulation E complaints for restricted/blocked accounts, fraud/forgery, funds availability, and error resolution. Examples of funds availability complaints resulting from bank errors were customers being unable to access specific types of deposits, such as tax refunds and government benefit payments. Some complaints involved customers being unable to access funds on prepaid cards.

Over the years, *Consumer Compliance Outlook (CCO)* has published many articles on Regulation E compliance requirements and sound practices to mitigate risk:

- Scott Sonbuchner, “Error Resolution Under Regulation E: Examiner Insights and Common Violations” (Third Issue 2025)
- Kenneth Benton, “Consumer Liability for Unauthorized Transactions Under the Electronic Fund Transfer Act and Regulation E” (Third Issue 2025)
- Kenneth Benton, “Error Resolution Procedures Under the

Electronic Fund Transfer Act and Regulation E” (Third Issue 2025)

- Kenneth Benton, “The Electronic Fund Transfer Act, Regulation E, and Instant Payment Services” (Third Issue 2025)
- Scott Sonbuchner, “Error Resolution and Liability Limits for Prepaid Accounts and Foreign Remittance Transfers” (Second Issue 2021)
- Scott Sonbuchner, “Error Resolution and Liability Limitations Under Regulations E and Z: Regulatory Requirements, Common Violations, and Sound Practices” (Second Issue 2021)
- Kenneth Benton, “Credit and Debit Card Issuers’ Obligations When Consumers Dispute Transactions with Merchants” (First Issue 2016)

## CONCLUSION

The 2024 complaint data themes and trends in this article provide useful compliance risk management information for banks, including these observations:

- *Customer service.* For Regulation E error resolution complaints, consumers stated that unresponsive bank customer service and improper error resolution practices prompted them to contact Federal Reserve Consumer Help for assistance. The volume of investigations finding regulatory violations from these complaints underscores, from a risk-focused perspective, the importance of

**TABLE 3: Cited Violations Resulting from Consumer Complaints for the Past 5 Years**

Violations	2024	2023	2022	2021	2020	5-Year Total	% of All Violations
Reg. E (EFTA)	51	161	175	203	171	761	79.8
Reg. B (ECOA)	0	1	5	8	6	20	2.1
Reg. CC (EFAA)	10	15	19	8	6	58	6.1
Reg. DD (TISA)	1	3	5	6	6	21	2.2
Reg. Z (TILA)	7	16	14	5	3	45	4.7
Reg. X (RESPA)	1	1	3	3	4	12	1.3
Reg. V (FCRA)	2	6	10	6	2	26	2.7
Other Regulations	4	0	0	0	2	6	0.6
Reg. P (GLBA)	0	1	1	2	0	4	0.4
Reg. H (FDPA)	1	0	0	0	0	1	0.1
<b>Total Violations</b>	<b>77</b>	<b>204</b>	<b>232</b>	<b>241</b>	<b>200</b>	<b>954</b>	<b>100</b>

ensuring that financial institutions are complying with Regulation E’s error resolution requirements.

- *Consistent documentation.* Complaint issues often arose from consumers disputing when deposited funds would be available and the rates, terms, and conditions of loan and deposit accounts. These issues show the need for clarity, accuracy, and consistency with advertisements, contracts, and disclosures.

Specific issues and questions should be raised with your primary regulator. ■

#### ADDITIONAL RESOURCES

- Scott Sonbuchner, “The Benefits of a Formal Complaint Management Program,” *CCO* (Second Issue 2024)
- Andrea Sovich, “Enhancing the Compliance Management Program with Complaint Data,” *CCO* (Second Issue 2024)
- Alinda Murphy, “Consumer Complaints 2023: A Review of Federal Reserve Data,” *CCO* (Second Issue 2024)
- “Complaints as a Supervisory and Risk Management Tool,” Outlook Live webinar (August 29, 2018)

## ENDNOTES\*

<sup>1</sup> See “Consumer Compliance,” Board of Governors of the Federal Reserve System, <https://www.federalreserve.gov/supervisionreg/consumer-compliance.htm>.

<sup>2</sup> The standards for state chartered banks to become a member of the Federal Reserve System are set forth in Regulation H, 12 C.F.R. §208.3. As part of this supervisory authority, the Federal Reserve examines SMBs for compliance with consumer protections laws. The Dodd–Frank Act provides that the Consumer Financial Protection Bureau (CFPB) examines SMBs with assets of \$10 billion or greater for compliance with “federal consumer financial laws,” a term defined in 12 U.S.C. §5481(14). 12 U.S.C. §5515(b)(a). Even for institutions with assets of \$10 billion or greater, enforcing compliance with certain consumer protection laws outside of the CFPB’s jurisdiction remains with the Federal Reserve, including the Fair Housing Act, the Community Reinvestment Act, the Flood Disaster Protection Act of 1973, Section 5 of the Federal Trade Commission Act, the garnishment rule (31 C.F.R. Part 212), the Servicemembers Civil Relief Act, and the Expedited Funds Availability Act.

<sup>3</sup> See *Report to Congress: 111th Annual Report of the Board of Governors of the Federal Reserve System* at pp. 86–87.

<sup>4</sup> *Ibid.*

<sup>5</sup> The FTC’s top consumer complaints are available in its *Consumer Sentinel Network Data Book 2024*, p. 8.

<sup>6</sup> The CFPB’s top consumer complaints are available on its Consumer Complaint Database.

<sup>7</sup> Some laws, such as the Truth in Lending Act, 15 U.S.C. §1601 et seq., require that restitution be provided for certain violations. See 15 U.S.C. §1607(e). In addition, the federal banking agencies have authority under §8(b)(6)(a) of the Federal Deposit Insurance Act to order restitution for violations of applicable law if the depository institution was unjustly enriched or the violation involved a reckless disregard of a law, regulation, or prior order. See 12 U.S.C. §1818(b)(6)(a)(i)–(ii).

\* Note: The links for the references listed in the Endnotes are available on the *Consumer Compliance Outlook* website at [consumercomplianceoutlook.org](https://consumercomplianceoutlook.org).

## TOP-CITED FEDERAL RESERVE SYSTEM COMPLIANCE VIOLATIONS IN 2024 UNDER THE FLOOD DISASTER PROTECTION ACT

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### *Failing to Require Sufficient Flood Insurance at Origination*

Under the FDPA, flood insurance must be purchased for the lesser amount of the outstanding principal balance of the loan or the maximum amount of insurance available under the NFIP. The maximum amount of flood insurance under the NFIP is \$250,000 for residential buildings and \$500,000 for nonresidential buildings. Contents coverage is available for up to \$100,000 for residential structures and \$500,000 for nonresidential structures. However, the maximum amount of coverage available under the NFIP is based on the property's *insurable value*, which is discussed later in this article.

Examiners observed that, in most instances, banks understood and complied with Regulation H expectations to require flood insurance for properties located in SFHAs. Violations were most frequently cited because of lender errors that resulted in the borrower purchasing an incorrect amount of flood insurance or in the loan being briefly uninsured post-closing. The root cause of these violations was generally a combination of insufficient policies, procedures, and staff training for determining flood coverage combined with the absence of secondary reviews to ensure lenders accurately calculated the required amount and term.

### *Change in Consummation Date*

During the period from the receipt of an application to loan origination, changes may occur that affect the initial flood insurance estimates. For example, assume a loan requiring flood insurance was initially expected to close on June 30, 2025, but the closing date was subsequently changed to June 10, 2025, to accommodate the buyer. If the bank failed to ensure the policy's effective date was changed to June 10, 2025, the loan would have been uninsured for nearly three weeks. Examiners observed multiple instances of banks failing to recognize that changing the consummation date affects the date the policy should have become effective.

### *Calculating the Incorrect Insurable Value*

Examiners observed banks failing to accurately calculate the insurable value of property covered by flood insurance, a factor in determining how much flood insurance is required and the amount that would be paid on a claim.

*Insurable value* is defined as the overall value of the property

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“Examiners observed that, in most instances, banks understood and complied with Regulation H expectations to require flood insurance for properties located in SFHAs.”

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securing the designated loan minus the value of the land on which the property is located.<sup>4</sup> To calculate the amount of required insurance, the lender and borrower (by themselves or in consultation with the flood insurance provider or another appropriate professional) may choose from a variety of ways to establish the insurable value, including:

- an appraisal based on the cost value, not the market value;
- a construction-cost calculation;
- the insurable value used in a hazard insurance policy (recognizing that adjustments may be necessary, as this value does not include the value of the foundation); or
- any other reasonable approach that is supportable.<sup>5</sup>

### *Multiple Properties*

Examiners observed lenders choosing the incorrect amount of insurance for commercial loans when multiple properties secured the loan. *Consumer Compliance Outlook (CCO)* published an article in 2022 that included examples of how to calculate the proper amount of insurance when a designated loan is secured by multiple properties. See Danielle Martinage, “Commercial Flood Insurance Compliance — Washing Away Common Pitfalls,” *CCO* (Second Issue 2022).

Calculation errors were attributed to:

- insufficient understanding of flood insurance calculations at the loan officer level;
- relying on outdated replacement cost values; and
- absence of secondary reviews to identify lender errors.

## REGULATORY REQUIREMENTS

### **Notice of Special Flood Hazards and Availability of Federal Disaster Relief Assistance: 12 C.F.R. §208.25(i)**

During origination of a designated loan, a bank must mail or deliver a written notice to the borrower or servicer explaining that, if the property securing the loan is in an SFHA, flood insurance must be purchased. The notice also notifies the borrower that the premiums may be required to be escrowed and that private flood insurance may be available.

Notices must be provided to the borrower “within a reasonable time before the completion of the transaction, and to the servicer as promptly as practicable” after notice to the borrower.

### ***Failing to Provide Notice to Borrowers in a Timely Manner***

Banks were cited for failing to provide the required flood insurance notice under 12 C.F.R. §208.25(i) to the borrower when a loan was made, increased, renewed, or extended for real property or a mobile home in an SFHA. A model form of the notice is available in Appendix A to Regulation H.

Lenders were cited for failing to provide the required notice “within a reasonable time.” The 2022 flood insurance Q&As clarified the timing requirements for providing the required notice:

As required by the Regulation, a lender must provide the Notice of Special Flood Hazards to the borrower within a reasonable time before the completion of the transaction. What constitutes “reasonable” notice will necessarily vary according to the circumstances of particular transactions. A lender should bear in mind, however, that a borrower should receive timely notice to ensure that (1) the borrower has the opportunity to become aware of the borrower’s responsibilities under the Act;

and (2) where applicable, the borrower can purchase flood insurance before completion of the loan transaction. The agencies generally regard 10 calendar days as a “reasonable” time interval.<sup>6</sup>

The root causes for notice violations included:

- staff having an inadequate understanding of flood insurance requirements;
- staff failing to adhere to the institutions’ written flood procedures;
- a lack of strong internal controls;
- insufficient sample sizes in insurance monitoring and audits;
- improper documentation; and
- lack of compliance oversight.

## REGULATORY REQUIREMENTS

### **Force Placement of Flood Insurance: 12 C.F.R. §208.25(g)**

“**Notice and purchase of coverage.** If a member bank, or a servicer acting on behalf of the bank, determines at any time during the term of a designated loan, that the building or mobile home and any personal property securing the designated loan is not covered by flood insurance or is covered by flood insurance in an amount less than the amount required under paragraph (c) of this section, then the member bank or its servicer shall notify the borrower that the borrower should obtain flood insurance, at the borrower’s expense, in an amount at least equal to the amount required under paragraph (c) of this section, for the remaining term of the loan. If the borrower fails to obtain flood insurance within 45 days after notification, then the member bank or its servicer shall purchase insurance on the borrower’s behalf. The member bank or its servicer may charge the borrower for the cost of premiums and fees incurred in purchasing the insurance, including premiums or fees incurred for coverage beginning on the date on which flood insurance coverage lapsed or did not provide a sufficient coverage amount.”

***Failing to Identify Lapses in Coverage and Force Place Insurance When Necessary***

Regular monitoring of loans in SFHAs is recommended to ensure no lapses in coverage occur during the life of the loan. In several instances, banks were cited under 12 C.F.R. 208.25(g) because examiners noted flood insurance had lapsed on designated loans for longer than the regulation permits, and the bank failed to force place insurance.

As already discussed, a lender is required to notify borrowers about flood insurance requirements when a designated loan is made, increased, renewed, or extended for a real property in an SFHA. A lender should ensure flood insurance is maintained over the life of the loan through monitoring. If the lender becomes aware a designated loan is uninsured or underinsured at any point, it must notify the borrower to purchase insurance or increase the amount, as applicable, within 45 days. If the borrower fails to do so, the bank must purchase the insurance on the borrower’s behalf.<sup>7</sup> When a lender force places flood insurance, it “may charge the borrower for the cost of premiums and fees incurred in purchasing the insurance, including premiums or fees incurred for coverage beginning on the date on which flood insurance coverage lapsed or did not provide a sufficient coverage amount.”<sup>8</sup>

The root causes for monitoring and force placement violations included:

- failure to monitor loans in SFHAs for adequate flood insurance over the life of the loan;
- audit gaps that limit the bank’s ability to identify uninsured or underinsured loans; and
- insufficient corrective action procedures to prevent identified issues from recurring.

Some sound practices banks can rely on to mitigate this area of risk include:

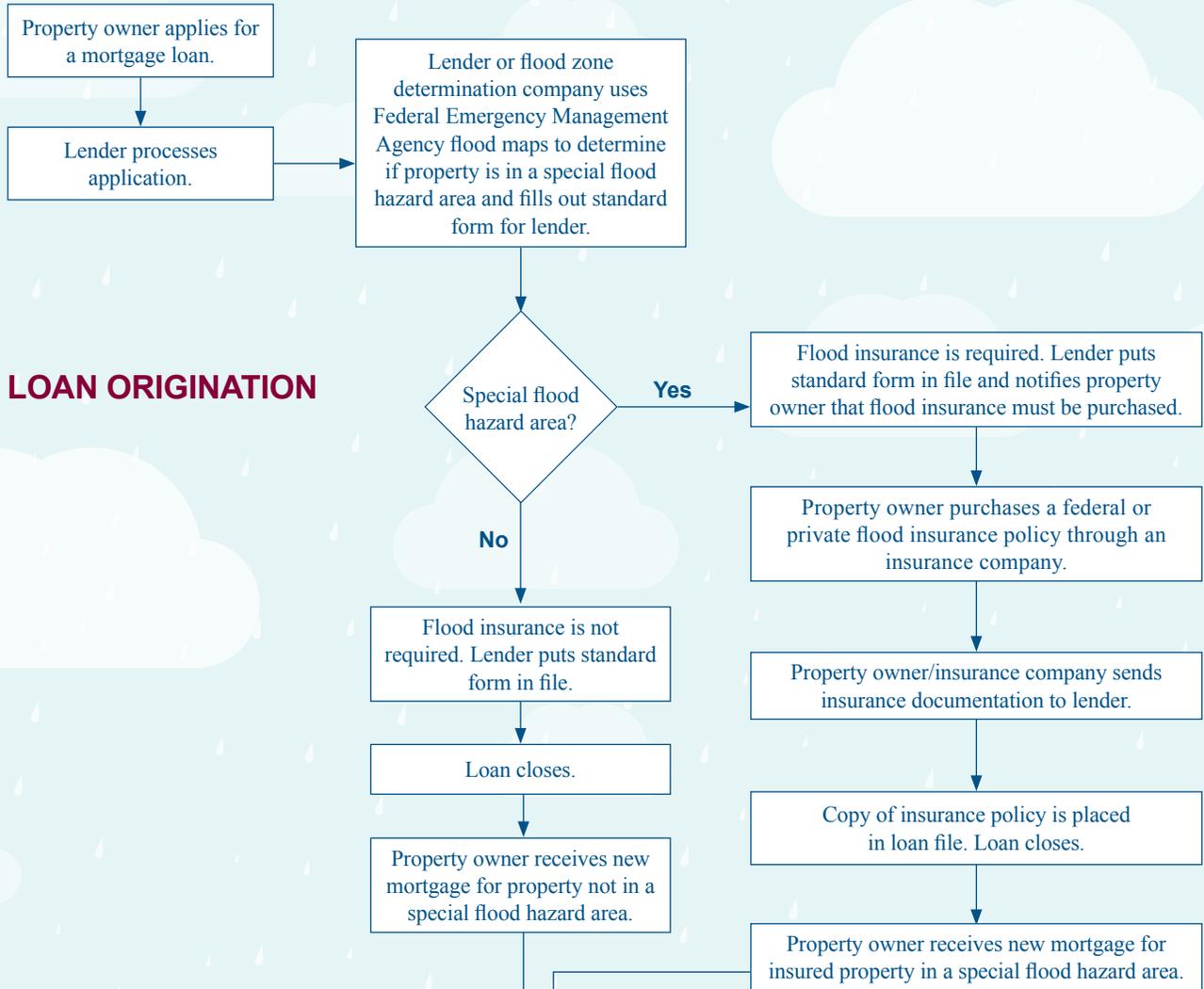
- using controls to monitor the policy renewal date and ensure the borrower does not let the policy lapse, especially for loans that are not subject to a mandatory escrow of flood insurance premiums and fees;<sup>9</sup>
- implementing detailed flood training to ensure lenders are aware of life-of-loan coverage requirements and force placement provisions;
- periodically reviewing Federal Emergency Management Agency (FEMA) flood maps to identify if any loans are in SFHAs as a result of map changes; and

**Table: Sound Compliance Practices**

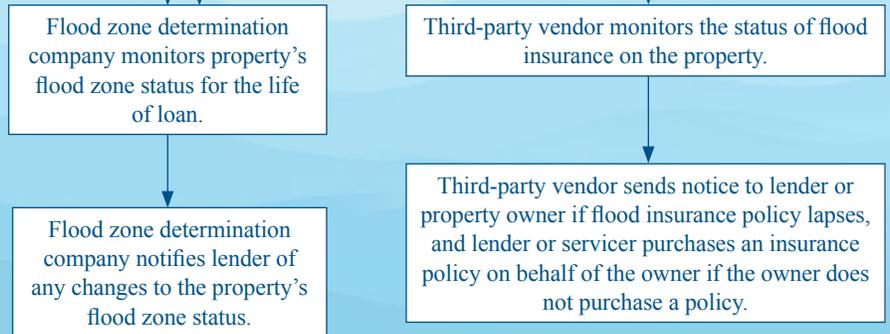
<b>Board and Senior Management Oversight</b>	<ul style="list-style-type: none"> <li>• Provide prompt responses to employee questions</li> <li>• Ensure that any third-party service providers understand and effectively perform their compliance responsibilities</li> </ul>
<b>Internal Controls</b>	<ul style="list-style-type: none"> <li>• Conduct a secondary review of initial flood insurance calculations and effective dates of coverage on all loans located in SFHAs</li> <li>• Enhance preventative and detective controls</li> </ul>
<b>Training</b>	<ul style="list-style-type: none"> <li>• Conduct regular training on the FDPA, including notice and insurance requirements</li> <li>• Conduct training when regulatory changes occur or when procedural weaknesses are noted</li> <li>• Provide flowcharts and worksheets for staff</li> </ul>
<b>Monitoring and Audit</b>	<ul style="list-style-type: none"> <li>• Conduct frequent audits of loans in high-risk areas to ensure loans are neither uninsured nor underinsured</li> <li>• Validate that all policies and procedures implemented are applied correctly</li> <li>• Use weekly system reports to identify expiring policies and verify renewal</li> </ul>
<b>Policies and Procedures</b>	<ul style="list-style-type: none"> <li>• Implement detailed policies and procedures to ensure a consistent and repeatable process</li> <li>• Ensure that policies and procedures are updated when regulatory requirements change</li> <li>• Ensure policies encompass notification timing requirements and force placement provisions to prevent any gaps in coverage</li> <li>• Develop comprehensive flood checklists to provide guidance for bank staff</li> </ul>

**FIGURE: Flood Insurance Flowchart**

**LOAN ORIGINATION**



**LIFE OF LOAN**



Source: Government Accountability Office Report 21-578 at p. 15.

- hiring a third-party vendor to conduct life-of-loan monitoring and notify the bank of any changes in flood maps.

## GENERAL SOUND PRACTICES TO MITIGATE COMPLIANCE RISKS

Most of the violations already discussed occurred because of gaps in policies and procedures related to flood insurance requirements, inadequate secondary review processes, and limited risk monitoring for adequate coverage over the life of the loan. The table lists compliance practices examiners have observed and recommend, and the figure provides a flood insurance flowchart with an overview of the compliance process.

## CONCLUDING REMARKS

It is important for financial institutions that originate or purchase loans subject to the FDPA to have a strong flood insurance compliance management system in place. This article discussed common violations among Federal Reserve–regulated institutions and sound practices to mitigate the compliance risks. Lenders should raise specific issues and questions about FDPA requirements with their primary regulator. ■

### RESOURCES

- Outlook Live webinar, “Flood Insurance Compliance – Examiner Insights,” November 19, 2025
- Kenneth J. Benton, “Overview of Private Flood Insurance Compliance Requirements,” *CCO* (First Issue 2024)
- Danielle Martinage, “Commercial Flood Insurance Compliance — Washing Away Common Pitfalls,” *CCO* (Second Issue 2022)
- “Compliance Alert: FEMA Begins Risk Rating 2.0 Flood Insurance Initiative,” *CCO* (Fourth Issue 2021)
- Danielle Martinage, “Vendor Management Considerations for Flood Insurance Requirements,” *CCO* (Second Issue 2019)
- “Interagency Flood Insurance Regulation Update Webinar: Questions and Answers,” *CCO* (First Issue 2016)
- Blessing Chimwanda and Danielle Martinage, “Agencies Issue Final Rule for New Flood Insurance Requirements,” *CCO* (Third–Fourth Quarter 2015)
- Kenneth J. Benton, “Flood Insurance Compliance Requirements,” *CCO* (Third–Fourth Quarter 2015)

## ENDNOTES\*

<sup>1</sup> Public Law 93–234, 87 Stat. 975 (December 31, 1973). Codified, as amended, at 42 U.S.C. 4002 et seq.

<sup>2</sup> 42 U.S.C. §§4002(b), 4012a(b).

<sup>3</sup> 12 C.F.R. §208.25(b)(5). The FDPA’s implementing regulations are issued on an interagency basis but are separately codified in each agency’s regulations: Federal Reserve: Regulation H, 12 C.F.R. §208.25; Farm Credit Administration: 12 C.F.R. Part 614, sub-part S; Federal Deposit Insurance Corporation: 12 C.F.R. Part 339; National Credit Union Administration: 12 C.F.R. Part 760; and Office of the Comptroller of the Currency: 12 C.F.R. Part 22. For convenience, this article cites the Board’s regulations, but the other agencies’ regulations are substantially similar.

<sup>4</sup> Interagency Questions and Answers Regarding Flood Insurance, Q&A Amount 1, 87 FR 32826, 32878 (May 31, 2022).

<sup>5</sup> Interagency Questions and Answers Regarding Flood Insurance, Q&A Amount 2, 87 FR at 32878.

<sup>6</sup> Interagency Questions and Answers Regarding Flood Insurance, Q&A Notice 2, 87 FR at 32877. This Q&A also discussed exceptions that may apply for loans secured by mobile homes. See also “Revised Interagency Examination Procedures for the Flood Disaster Protection Act” (July 2019) at p. 18.

<sup>7</sup> 12 C.F.R. §208.25(g)(1).

<sup>8</sup> 12 C.F.R. §208.25(g)(1).

<sup>9</sup> *CCO* reviewed the escrow provisions in 2015. See Blessing Chimwanda and Danielle Martinage, “Agencies Issue Final Rule for New Flood Insurance Requirements,” *CCO* (Third–Fourth Quarter 2015).

\* Note: The links for the references listed in the Endnotes are available on the *Consumer Compliance Outlook* website at [consumercomplianceoutlook.org](http://consumercomplianceoutlook.org).

# FEDERAL RESERVE BOARD CONSUMER AFFAIRS LETTERS FOR 2024–2025

Consumer Affairs (CA) letters address significant policy and procedural matters related to the Federal Reserve System’s consumer compliance supervisory responsibilities. CA letters are numbered sequentially by year. For example, the first letter issued in 2025 is numbered CA 25-1. Letters that have been superseded or contain confidential supervisory information are not included.

2025	
CA 25-1	Communications Regarding the Federal Reserve’s Consumer Affairs Supervision Program
2024	
CA 24-6 / SR 24-8	Interagency Statement on Elder Financial Exploitation
CA 24-5	Joint Statement on Banks’ Arrangements with Third Parties to Deliver Bank Deposit Products and Services
CA 24-4 / SR 24-3	Interagency Guidance on Reconsiderations of Value of Residential Real Estate Valuations
CA 24-3	Revised “A Guide to HMDA Reporting: Getting It Right!”
CA 24-2	Interagency Guidance on Third-Party Relationships: Risk Management
CA 24-1 / SR 24-2	Third-Party Risk Management: A Guide for Community Banks

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# REGULATORY CALENDAR

## Rules Currently in Effect or Proposed

Final and proposed rules that have not been affected by the ongoing regulatory review

DATE†	REGULATION	REGULATORY CHANGE
01/07/26	Reg. C	Consumer Financial Protection Bureau (CFPB) issues final rule to revise the asset-size exemption threshold under Regulation C for financial institutions based on changes to the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)
01/01/26	Reg. Z	Agencies issue final rule to increase the exemption threshold for the appraisal requirements of higher-priced mortgage loans, based on changes to the CPI-W from \$33,500 to \$34,200
01/01/26	Reg. Z	CFPB issues final rule to adjust thresholds for credit cards, qualified mortgages, and loans subject to the Home Ownership and Equity Protection Act of 1994 based on changes to the CPI-W
01/01/26	Reg. V	CFPB issues final rule to amend the appendix in Regulation V concerning the maximum allowable charge for disclosures by a consumer report agency to a consumer under §609 of the Fair Credit Reporting Act (FCRA)
11/13/25	Reg. B	CFPB proposes amending provisions of Regulation B addressing discouragement, Special Purpose Credit Programs, and disparate impact liability
11/13/25	Reg. V	CFPB proposes amending §1071 final rule concerning collection of small business loan data
10/28/25	Reg. V	CFPB issues interpretive rule to clarify that the FCRA generally preempts state credit reporting laws
10/02/25	Reg. B	Final rule extends compliance deadlines for §1071 small business loan data collection requirements
10/01/25	Reg. Z	Agencies issue final rule on quality control standards for automated valuation models
08/26/25	CFPA §1024	CFPB issues proposed rule to adopt a standard for when to designate nonbank covered persons for Bureau supervision under §1024(a)(1)(c) of the Consumer Financial Protection Act (CFPA)
08/22/25	DFA §1033	CFPB issues advance notice of proposed rulemaking for reconsideration of open-banking rulemaking under §1033 of the Dodd–Frank Act (DFA)
07/01/25	Reg. CC	Agencies implement inflation-adjusted dollar thresholds for Regulation CC funds availability

† Because proposed rules do not have an effective date, we have listed the *Federal Register* publication date.

# REGULATORY CALENDAR

## Rules Under Review

Prior proposed rules or final rules that were subsequently rescinded, stayed in litigation, or otherwise under review

DATE	REGULATION	REGULATORY CHANGE	STATUS
10/01/25	Regs. E and Z	CFPB issues final rule for overdraft fee for very large financial institutions	Repealed 05/08/25
	FHA regulation	Proposal to rescind Affirmative Fair Housing Marketing Regulations: 24 C.F.R. Part 108 and 24 C.F.R. §200.600–200.640	Proposed 06/03/25
05/12/25		CFPB rescinds numerous guidance documents	Rescinded
03/17/25	Reg. V	CFPB issues final rule to limit the use of medical debt in underwriting consumer credit	Stayed in litigation
01/17/25	12 U.S.C. §1033	CFPB issues final rule on personal financial data rights	Stayed in litigation
01/09/25	12 C.F.R. §1090.109	CFPB issues larger participant final rule for the general-use digital consumer payment applications market	Stayed in litigation
12/13/24	Reg. V	CFPB proposed defining data brokers as consumer reporting agencies subject to the FCRA	Withdrawn 05/15/25
09/16/24		Registry of nonbank covered persons subject to certain agency or court order	Rescinded 10/29/25
07/30/24	Reg. Z	CFPB issues interpretive rule applying certain provisions of Regulation Z to Buy Now, Pay Later loans	Withdrawn 05/12/25
05/14/24	Reg. Z	CFPB issues final rule for credit card penalty fees	Vacated 04/14/25
02/01/24	Reg. BB	Agencies issue final rule to modernize their implementing regulations for the Community Reinvestment Act	Withdrawn 07/18/25
01/31/24	12 C.F.R. §1042.2	CFPB issues proposal to prohibit fees for instantaneously declined transactions	Withdrawn 01/14/25
10/30/23	n/a	Agencies issue principles for climate-related financial risk management for large financial institutions	OCC withdrawal 3/31/25
10/12/23	Reg. B	CFPB and Department of Justice issue Joint Statement on Fair Lending and Credit Opportunities for Noncitizen Borrowers Under the Equal Credit Opportunity Act	Withdrawn 01/12/25
02/01/23		Rulemaking proposal for registry of supervised nonbanks that use form contracts to impose terms and conditions that seek to waive or limit consumer legal protections	Withdrawn 10/29/25

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## CALENDAR OF EVENTS

**May 5–7, 2026**    **American Bankers Association Annual Risk and Compliance Conference**  
Charlotte Convention Center  
Charlotte, NC

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