



Monday, January 24, 2022

FFIEC Advances Exam-Reform Initiative

Completing the final phase of its Examination-Modernization Project, the FFIEC late last week issued [best practices](#) for requesting examination information from supervised entities. Best practices include requesting only risk-focused and relevant information, giving institutions sufficient time, and examiner coordination to avoid duplicative and/or redundant requests. Requests should also be made through the designated regulatory examination point-of-contact and clearly articulated in writing.

FFIEC is also providing a common authentication solution for secure access to agency supervision systems allowing both institutions and agencies to securely authenticate supervision systems while eliminating the need for multiple credentials. No specific transition timeline is given, with each FFIEC agency told to start the program when ready.

CFPB Seeks Comment on BNPL

The CFPB's [inquiry](#) into buy-now/pay-later (BNPL) providers along with questions for public comment were posted in today's [Register](#). As [noted](#), the agency seeks to gain information about the size, scope, and business practices of the BNPL market to understand customer interaction and BNPL's impact on the e-commerce and consumer credit marketplaces. As also [noted](#), the agency pressed five BNPL providers for detailed business information, with this overall inquiry laying considerable groundwork for extensive regulation governing rates, disclosures, and credit-score procedures.

Recent Files Available for Downloading

The following reports and analyses have been sent to retainer clients recently. Copies are also available to retainer clients on the Archives section of Federal Financial Analytics' website: www.fedfin.com or clients may obtain the reports/analyses by e-mailing info@fedfin.com giving the requested item name, firm, and e-mail address. To learn more about *GSE Activity Reports*, click [here](#).
<https://fedfin.com/wp-content/uploads/2022/01/GSE-012422.pdf>

- [GSE-012422](#): A new Federal Reserve Bank of Atlanta [study](#) adds another element to those [prior research argues](#) are evidence of widespread racial discrimination in U.S. mortgage finance.
- [GSE-011422](#): As noted in our in-depth analysis of Acting FHFA Director Thompson's confirmation hearing, it's clear that Democrats and Republicans are thinking hard about resurrecting statutory changes to the GSEs' charters.
- [FEDERALRESERVE68](#): At today's confirmation hearing, Gov. Brainard took a lot of the heat on inflation Republicans only mildly mentioned during Mr. Powell's Tuesday confirmation hearing ([see Client Report FEDERALRESERVE67](#)).
- [REFORM211](#): As promised, FedFin begins our 2022 forecasts with this in-depth report on bank regulation.
- [FEDERALRESERVE67](#): As promised yesterday ([see Client Report FEDERALRESERVE66](#)), we listened closely today to gauge the extent to which Chairman Powell faces a serious challenge to reconfirmation.
- [FEDERALRESERVE66](#): Many of you have asked us to forecast key policy implications ahead of two high-powered hearings this week considering President Biden's top Fed nominees.

- **[GREEN12](#)**: Issuing the first formal U.S. climate-risk proposal, the OCC is seeking comments on high-level risk-management principles to set the context for additional, more binding action governing larger U.S. banking organizations.
- **[GSE-010322](#)**: New [economic commentary](#) from the Federal Reserve Bank of Cleveland assesses several recent studies on homeownership from an investment perspective.
- **[MMF19](#)**: In the wake of noncommittal statements from global regulators on ways to address money-market fund systemic risk, the Securities and Exchange Commission has proposed sweeping changes to the 2014 standards adopted after the 2008 crisis.
- **[GSE-122721](#)**: Late last week, the NCUA put a small addition into the Christmas stockings already stuffed by the regulator over the past few months with numerous regulatory liberalizations.
- **[MERGER10](#)**: Just days after the FDIC chair refused to advance a request for comment on bank-merger policy, the Department of Justice released one signaling agreement with many of the concerns Democrats aired in concert with the RFI.
- **[GSE-122021](#)**: As [noted](#) on Friday, the Biden Administration's first FSOC systemic-risk hit list reiterates Trump Administration fears about [nonbank mortgage companies](#).
- **[GSE-121721](#)**: As [noted](#) on Thursday, FHFA continues to tread carefully through the big-bank rulebook, adopting standards said to be like-kind that aren't quite so similar when it comes to critical details.
- **[MERGER9](#)**: Released in a highly-controversial fashion (see below) by two Democrats on the FDIC's board, this RFI posits the need for a significant review of mergers involving insured depository institutions (IDIs) due to many changes in the financial industry and, so it says, the lack of substantive competitive analysis over past decades even of the largest transactions.