



FedFin Daily Briefing

Friday, August 26, 2022

GAO Presses for Better Data on SAR Value Add

Reflecting longstanding industry hopes for analysis of the actual law-enforcement value of complex and costly SAR findings, GAO yesterday issued [recommendations](#) to the DoJ that it improve its BSA data-collection and annual reports. GAO also concludes that FinCEN is limited in its ability to support law enforcement and provide feedback to financial institutions due to the DoJ failing to collect and share BSA report data. It also finds that the annual report on BSA statistics that the Department is required to produce ([see FSM Report AML133](#)) did not use all available data from its component agencies. GAO thus recommends that the DoJ improve both how it and its component agencies collect this data and communication between its sections to ensure proper data availability for its BSA annual report.

SEC Expands Whistleblower Awards to Actions Brought by Banking Agencies

The SEC today [announced](#) new whistleblower incentives that may encourage whistleblowing also on offenses subject to banking-agency enforcement. The SEC's amended rule allows the Commission to pay awards to whistleblower actions brought by appropriate agencies other than the Commission, which are defined not only as the U.S. Department of Justice and state AGs, but also as the OCC, the Fed, and the FDIC. Whistleblower incentives from the SEC could not exceed \$5 million, with this sum added to rewards from the banking agencies. The CFPB is not included in covered agencies.

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](#).

- [CRYPTO31](#): Reflecting the concerns voiced in a recent executive order from President Biden and a subsequent request for views from Treasury, the Federal Reserve has joined the OCC in demanding prior notice from banking organizations that wish to undertake cryptoasset activities.
- [GSE-082222](#): A new Federal Reserve Bank of Cleveland [study](#) validates forbearance as a mortgage-market buffer, reinforcing the likelihood that policymakers and servicers will turn quickly to it if current mortgage-market conditions turn ugly under the combined stress of higher rates and slow to no growth.
- [GSE-081922](#): We look here at an interesting [idea](#) from three senior Fannie Mae officials: an index to measure a Single-Family MBS's social impact.
- [PAYMENT25](#): Following considerable controversy surrounding how Federal Reserve Banks grant master accounts, it has finalized a somewhat more explicit set of guidelines along lines proposed the second time the Fed attempted to set guidelines via a "supplemental" proposal earlier this year amending its 2021 effort.
- [GSE-081722](#): [FHFA](#) and [Ginnie Mae](#) today let loose their long, long delayed standards for eligible seller-

servicers.

- **INFOSEC28:** Using another of its tools to set policy without prior public comment, the CFPB has released a circular stating that inadequate consumer-data safeguards may constitute a breach of the unfair, deceptive, or abusive acts or practices (UDAAP) protection standards subject to Bureau enforcement action.
- **FINTECH30:** Continuing its practice of setting sweeping policy by administrative action without prior notice or comment, the CFPB has issued an interpretive rule sharply curtailing the extent to which digital advertising and market strategies are exempted from the legal and compliance obligations associated with most parties directly providing consumer financial products or services and those acting as servicers to these entities.
- **GSE-081222:** [FHFA](#), [Fannie](#), and [Freddie](#) yesterday released the results of FHFA's latest stress test, focusing on the severely-adverse scenario in order – or so FHFA says – to push the GSEs to the limit.
- **INTERCHANGE10:** Two senators have reopened questions about the manner in which card-related payments are handled, tackling those applicable to credit cards with a bill mandating that merchants must be given a network choice that is not either Visa or Mastercard in order to, the sponsors argue, increase competition and lower credit-card transaction costs.