

Digital Assets Regulatory Frameworks. ICBA has directly engaged with Congress on legislation establishing regulatory frameworks for stablecoins and the broader digital assets market for several years. The [GENIUS Act](#) (S. 394), which regulates stablecoin issuance, became law in July 2025, included ICBA-advocated provisions. ICBA will continue to advocate for community banks during the GENIUS implementation process. ICBA is also engaging with Congress on digital assets market structure legislation, including advocating for the expansion of the prohibition on offering yield and interest on payment stablecoins to include affiliates, exchanges and other digital assets intermediaries to protect against the migration of deposits that fund local lending. The House passed the CLARITY Act (H.R. 3633) in July. The Senate is currently drafting its version.

- ICBA has released a [new quantitative analysis](#) showing that yield-bearing stablecoins could reduce community bank lending by \$850 billion.
- ICBA participated in several meetings at the White House advocating for an expanded yield prohibition and continues to promote a [grassroots campaign](#).
- ICBA's Federal Delegate Board recently sent a [letter](#) to Congress.

ICBA Launches New Campaign Against Credit Unions. ICBA launched "The Illusionists," a new media campaign to reveal the ugly truth about credit unions. The campaign features a website, [creditunionsrevealed.com](#), highlighting the industry's deceptions, exponential growth, abuse of the tax code, and consumer harm.

- [New data analysis](#) demonstrates that credit union-community bank acquisitions harm small businesses and local communities and that community banks outperform credit unions in high-poverty areas.

House Advances Community Bank Regulatory Relief Bills. The House Financial Services Committee passed the [Main Street Capital Access Act](#) (H.R. 6955) in March. Provisions include lowering the range for the Community Bank Leverage Ratio to between 6 and 8 percent and making it available to banks with up to \$15 billion in assets, independent review of adverse exam findings, and tailoring of rules based on risk profile and business model. A separate package of measures was attached to a housing bill which passed the House by a vote of 390-9. Provisions include allowing community banks to hold custodial deposits and more reciprocal deposits without them being considered brokered deposits; providing an 18-month exam cycle and other exam relief for banks with up to \$6 billion in assets; and promoting the formation of de novo community banks. ICBA is pressing the Senate to take up this legislation.

Farm Bill. ICBA supports passage of The Farm, Food, and National Security Act of 2026 (H.R. 7567) with modifications. The new five-year bill will allow community banks to work with their farm, ranch, and rural customers to engage in sound business planning. ICBA supports enhancements to USDA's guaranteed loan programs including higher loan limits and prompt loan approvals. However, the Farm Credit System's (FCS) expansion into non-farm financing activities must be restricted.

Farm Aid. ICBA has urged Congress to authorize a new round of financial assistance of \$12-\$24 billion (one to two times the amount announced in December 2025) to bring most crop producers closer to break even.

Executive Order to Create Mortgage Rule Relief. President Trump issued an E.O. directing the agencies to propose mortgage regulatory relief for banks of less than \$100 billion in assets. This could include ability-to-repay, QM, and HMDA, among other burdensome rules.

Real Results For Your Bank

Trigger Leads Legislation Signed into Law.

Legislation that would restrict credit reporting agencies from the sale of consumers' contact information when they apply for a residential mortgage ("trigger leads") was signed into law on September 5th and becomes effective March 2026. Trigger leads compromise consumer privacy, create a flood of unwanted solicitations, and create consumer confusion. ICBA played a critical role in passing this legislation.

Permanent Tax Relief Signed into Law. On July 4th, the One Big Beautiful Bill Act was signed into law by the President. The new permanently extends provisions of the Tax Cuts and Jobs Act, including individual rates, the estate tax, and the Section 199A deduction for Subchapter S banks. A version of ACRE is included (a 25 percent exclusion for loans secured by agricultural land). The new law includes additional pro-growth provisions and raises support prices for farm commodities.

Congress Repeals Overdraft Rule. Congress has passed and the President has signed a resolution to overturn the CFPB rule on overdraft. The President is expected to sign the resolution into law. Repeal of the overdraft rule has been an ICBA priority. The CFPB rule would have capped fees at banks and credit unions with more than \$10 billion in assets, thereby harming customers and businesses that rely on overdraft.

Challenges to 1071 Rule and Statute. In November, the CFPB [proposed favorable revisions to its final 2023 rule](#), which requires lenders to collect and report personal data on small business credit applicants. The revisions would provide more favorable thresholds resulting in fewer community banks and small businesses being subject to the rule and the collection of fewer data points. A court injunction against the 2023 rule will remain in effect until the CFPB finalizes its revised rule and the court lifts the injunction. In Congress, ICBA supports the “1071 Repeal to Protect Small Business Lending Act,” (H.R. 976/S. 557) sponsored by Rep. Roger Williams and Sen. John Kennedy. Short of full statutory repeal, the law would be significantly improved by House Financial Services Chairman French Hill’s “Small LENDER Act” (H.R. 941), and Senator Katie Britt’s PROTECTED Act (S. 2352), which would reform 1071 so that fewer community banks must comply.

Deposit Insurance. ICBA’s Deposit Insurance Working Group created a [set of principles for reform](#). These include promoting depositor confidence in community banks; curbing TBTF; controlling the cost of insurance for community banks; increased coverage for community banks; and expanding the FDIC’s ability to protect community banks and their customers during crisis.

Dodd-Frank Section 1033 Rule. In August 2025, the CFPB issued a proposed rule seeking recommendations for changes to the 1033 rule. While the final rule exempts community banks with assets of less than \$850 million, as advocated by ICBA, it requires non-exempt banks to create and maintain an API-enabled “developer portal” which non-bank fintechs and other third parties could use to access customer data, creating a threat to consumer data security and privacy. Moreover, banks are not permitted to charge reasonable fees to third parties to offset the significant costs of compliance with this rule. ICBA sent a [comment letter to the Bureau](#).

- ICBA released an [Open Banking Guidebook](#) as a resource for community bank compliance with the new rule.

ICBA Fraud and Scams. ICBA created a task force, composed of more than 50 community banks and state bankers’ associations, to explore solutions to prevent, detect, and mitigate check fraud. The task force is just one component of ICBA’s broader strategy to work with stakeholders in Congress, the agencies, law enforcement, and industry to reduce the burden of fraud and scams, including check fraud.

- ICBA has published: [“Check Fraud: A Practical Guide to Altered, Forged, and Counterfeit Checks for Community Bankers”](#) as well as several other guides.
- An ICBA witness, Gay Dempsey of Bank of Lincoln County, TN, testified before the House Financial Services Committee in March on the impact of fraud and scams on her bank and her customers.

Master Account Access and OCC Trust Charter.

In March, Federal Reserve Bank of Kansas City’s approved a master account for Kraken Financial, an action ICBA strongly opposed. Separately, ICBA expressed concerns about The Fed’s proposed “skinny” master account for non-banks. ICBA calls for the withdraw of the OCC’s chartering rule, issued in February, for limited-purpose trust banks that engage substantially in non-fiduciary activities. ICBA does not believe the agency has statutory authority for the rule.

FDIC Proposes Regulatory Relief. The FDIC proposed lowering the Community Bank Leverage Ratio from 9 percent to 8 percent in addition to other changes that will make it easier for community banks to use. We expect the OCC to issue a similar proposal soon. (As noted above, ICBA also supports legislation to further lower the CBLR.) The agency also finalized a rule updating audit and reporting thresholds under the Federal Deposit Insurance Corporation Improvement Act (FDICIA) so that they apply to fewer community banks. Both of these changes were long advocated by ICBA.

ACRE Implementation. Following the enactment of a version of ACRE as part of the One Big Beautiful Bill, ICBA met with senior Treasury officials to ensure the implementing rules qualified that greatest number of agricultural loans, consistent with the statute. In November, Treasury issued [largely favorable interim guidance](#), consistent with our advocacy.

Federal Housing Finance Agency, GSEs, FHLBS.

ICBA is working with FHFA and Treasury to ensure that any end to the conservatorship of the GSEs proceeds in an orderly and transparent manner, avoiding any disruption of the mortgage market.

- ICBA developed a set of principles for exiting conservatorship that includes an emphasis on the importance of full and equal access for all lenders regardless of size, serving all markets, maintaining the cash window, and a strong independent regulator.

Industrial Loan Companies. ICBA filed letters opposing the deposit insurance applications of Ford, GM, Stellantis, Nissan, PayPal, and Affirm. Senators John Kennedy (R-LA) and Andy Kim (D-NJ) have reintroduced the ICBA-supported “Close the Shadow Banking Loophole Act” (S. 3734) which would permanently close the ILC loophole and prevent commercial firms from blurring the line between banking and commerce.

- ICBA released a comprehensive [white paper](#) demonstrating the dangers of creating any new ILCs.