Money Matters Roundup | August 2026

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***Money Matters* is a monthly snapshot of key developments across the financial services industry. From regulatory changes and enforcement actions to lending and compliance trends, we track notable issues affecting banks, credit unions, lenders, and other consumer and commercial finance providers.**

As you read through this month's update, we encourage you to visit our *Banking On It* blog for additional insights and more in-depth analysis of the latest trends and developments shaping the banking and finance industry.

OCC and FDIC propose a lending-focused overhaul of CRA Regulations.

The OCC and FDIC jointly proposed significant amendments to the Community Reinvestment Act (CRA) regulations on July 31. The proposal would largely return CRA evaluations to a more lending-focused framework, modify community development standards, increase certain asset thresholds, and reduce reporting and compliance burdens for many institutions. The proposal marks the third major effort to overhaul CRA regulations following multiple regulatory revisions and legal challenges. Comments are due 60 days after publication.

Why it matters: CRA compliance remains a significant operational and strategic consideration for banks of all sizes. If finalized, the proposal could reshape how institutions approach lending, community development activities, data collection, and examination preparation, particularly for community and regional banks seeking greater regulatory clarity and reduced compliance burdens.

Dallas and New York Fed banks move to gather data on the $1.3 trillion private credit market.

The Federal Reserve Bank of Dallas announced that it will partner with the Federal Reserve Bank of New York to launch a pilot survey of the U.S. private credit direct lending market following the end of Q3 2026. The voluntary survey will collect information regarding lending activity, credit availability, underwriting standards, and broader market trends in a sector the Fed estimates exceeds $1.3 trillion. Officials indicate the project is intended to improve visibility into a rapidly growing source of credit outside the traditional banking system.

Why it matters: Private credit continues to compete directly with banks for middle-market lending opportunities while becoming increasingly integrated into the broader credit ecosystem. This pilot signals growing regulatory and supervisory interest in the sector and may shape future discussions involving leveraged lending, non-bank credit risk, and the competitive landscape facing commercial lenders. For an introductory look at the growth of private credit, its role in the broader financial system, and the issues attracting regulatory attention, see our *Banking On It* blog article, "Shadow Banking and Private Credit: What It Is, Why It's Used, and Why It's in the News."

House Financial Services Committee leaders encourage Federal Reserve to continue streamlining bank merger reviews.

In an August 6 letter, House Financial Services Committee Chairman French Hill and Financial Institutions Subcommittee Chairman Andy Barr urged Federal Reserve Chair Jerome Powell to continue efforts to improve the efficiency and timeliness of bank merger application reviews. According to the House Financial Services Committee announcement, the lawmakers cited recent progress in reducing application backlogs and encouraged the Federal Reserve to build on those efforts to provide greater consistency and predictability in the review process.

Why it matters: Bank mergers and acquisitions remain an important strategic tool for growth, succession planning, scale, and market expansion, particularly among community and regional institutions. Continued congressional attention to merger review timelines suggests that efficiency, transparency, and predictability in the regulatory approval process will remain a key issue for banks considering future transactions.

CFPB advances reconsideration of Section 1033 open banking framework.

The Consumer Financial Protection Bureau's (CFPB) regulatory agenda indicates that a proposed rule concerning consumer-authorized financial data access under Section 1033 of the Consumer Financial Protection Act remains under active consideration. According to the CFPB's entry on the Office of Information and Regulatory Affairs website, the Bureau is pursuing rulemaking activity related to personal financial data rights and authorized data sharing. See the CFPB's regulatory agenda entry available here.

Why it matters: Section 1033 is expected to shape how banks, fintechs, and data aggregators handle consumer-authorized access to account information, with implications for data-sharing obligations, API development, cybersecurity, vendor management, and competition in financial services. Institutions should continue monitoring developments closely, as changes to the framework could affect both compliance obligations and customer-facing digital banking strategies.

Banking On It

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