2026 Federal Banking
119th US Congress
2026 Q3 Policy Update

VIRGINIA BANKERS ASSOCIATION

Keep up with the latest policies from Washington impacting Virginia banks. As Congress enters its final actionable months, the VBA is monitoring any last-minute actions by Congress and the Administration.

Finalized

Unfair, Deceptive, or Abusive Acts or Practices (UDAAP): The FDIC rescinded its 2023 FIL on representment NSF fees – concluding the original guidance was "overly broad in scope and has raised uncertainty regarding when… disclosures regarding re-presentments may result in "unfairness" concerns under Section 5 of the FTC Act."

Credit Card Interchange: The OCC published a final order clarifying how federal law prohibits national banks from charging or receiving interchange fees on the tax and gratuity portions of card transactions; and restricts the use of such card transaction data.

Section 1071: The CFPB's updated rule went into effect on June 30, narrowing the scope of businesses subject to the data collection requirements and raising the transaction threshold for applicability.

21st Century ROAD to Housing Act HR6644: Law as of July 11th. Addresses the lack of affordable housing stock, by cutting federal red tape to spur the construction of new homes, increases access to mortgage financing, and imposes restrictions on institutional investors. Also contains several positive bank regulatory relief measures, including doubling the asset threshold for 18-month exam cycles, easing funding costs on custodial and reciprocal deposits, and promoting de novo bank formation.

In-Progress

CLARITY Act HR3633: Creates a market structure for cryptocurrency. Passed by the Senate Banking Committee in mid-May, with a potential full Senate vote this summer. Concerns remain on the ability for stablecoin issuers to pay yield/interest/rewards, originally enabled under the *GENIUS Act*. Current language in the CLARITY still provides a loophole, creating the potential for deposit flight and resulting in the weakening of lending capacity from banks if not strengthened.

SCAM Act S3774 | *HR7548*: Establishes requirements preventing the dissemination of fraudulent or deceptive advertisements on online platforms, like social media.

Financial Innovation Regulatory & Integrity Frameworks: President Trump signed two EOs in May. The first seeks to bring fintech and digital assets onto the same playing field as banks. The second focuses on addressing "debanking" and seeks to amend what is required of banks under BSA.

Section 1033: The CFPB is expected to release an updated proposed rule this summer after pausing its previous final rule on "open banking" for data sharing and access.

Deposit Insurance S4198 | *HR8087*: Heard in Senate Committee – authorizes the FDIC to raise the deposit insurance coverage cap for noninterest-bearing transaction accounts to $5 million.

10 Percent Credit Card Interest Rate Cap Act S381 | *HR1944*: Places 10% cap on credit card interest rates - imposing a government price control, and severely restricting credit for Virginians.