



# Regulatory Insights

Regulatory Recap: April 2026

# Regulatory Recap: April 2026 (Financial Services)

**Legend**

- Rulemakings
- Guidance
- RFC/RFI
- Reports/Alerts
- Agenda
- Withdrawal/Rescission

## Executive/Legislative/SCOTUS

- White House\***
- Executive Order: Promoting Retirement Savings Access for American Workers
  - Executive Order: Promoting Efficiency, Accountability, & Performance in Federal Contracting
  - Report: Effects of Stablecoin Yield Prohibition on Bank Lending

## Departments

- DOJ\***
- Guidance: Voluntary Self-Disclosures of Violations of National Security Laws
  - Announcement: Creation of the National Fraud Enforcement Division
- DOL\***
- Proposal: Fiduciary Duties in Selecting Designated Investment Alternatives
  - Proposal: Joint Employer Status Under Federal Wage and Hour Laws
  - Guidance: Clarification that Proxy Advisors may be Investment Advice Fiduciaries
  - Announcement: New Suite of Voluntary Self-Assessment Tools
- Treasury\***
- Proposal: State-Level Regulatory Regimes under the GENIUS Act
  - Proposal: Whistleblower Incentives and Protections (FinCEN)
  - Proposal: Rule on AML/CFT Programs (FinCEN)
  - Proposal: Implementation of GENIUS Act AML/CFT Provisions (FinCEN, OFAC)
  - Report: Rapid Response Program Accomplishments (FinCEN)
  - Report: FinCEN Year in Review FY 2025
  - Announcement: Cybersecurity Information Sharing Initiative for Digital Assets (OCCIP)
  - Announcement: Discussion Series with Insurance Regulators re: Private Credit
  - Announcement: Review of Certified CDFIs for Potential Violations of CDFI Requirements
  - Speech: CFIUS Priorities (Assistant Secretary for Investment Security)

## Executive Agencies

- CISA\***
- Guidance: Advisory on Foreign Government-Linked Covert Cyber Networks
  - Guidance: Adapting Zero Trust Principles to Operational Technology

## International Standards Setters

- BIS**
- Report: Cyber Risk Stress Testing for Banks (FSI Brief)
  - Speech: "Stablecoins: Framing the Debate" (BIS General Manager)
- FSB**
- Guidance: Insurers Subject to Recovery and Resolution Planning

\*Some items appear in both FS and cross-industry as they are relevant across all industries.

## Regulatory Agencies

- Inter-agency**
- Final: Rule Prohibiting Use of Reputation Risk by Regulators (FDIC, OCC)
  - Final: Rule on Community Bank Leverage Ratio (FDIC, FRB, OCC)
  - Proposal: Rule on AML/CFT Programs (FDIC, NCUA, OCC)
  - Proposal: Exemptive Order & Rule Change re: U.S. Treasury Securities (SEC, CFTC)
  - Proposal: Amendments to Form PF (CFTC, SEC)
  - Guidance: Designating Qualified Opportunity Zones (Treasury, IRS)
  - Guidance: Model Risk Management (FDIC, FRB, OCC)
- CFPB**
- Final: Amendments to ECOA/RegB re: Small Business Lending (Section 1071); Disparate Impact
  - Report: 2025 HMDA Data on Mortgage Lending
  - Report: Debt Burdens Among Credit-Linked Consumers in the United States
  - Withdrawal: Rescission of State Official Notification Rules
- CFTC**
- Statement: Restoring American Leadership in Financial Markets (Chairman)
  - Speech: Right-Sizing Regulation - Rules to Overhaul (Chair)
  - Speech: Enforcement Priorities & Insider Trading (Director of Enforcement)
- FDIC**
- Proposal: Implementation of GENIUS Act
  - Report: 2026 Consumer Compliance Supervisory Highlights
  - Speech: Innovation: How Regulators Keep Pace with Technology
  - Withdrawal: Supervisory Guidance on Multiple Re-Presentation NSF Fees
- FINRA**
- Final: Intraday Margin Standards Replacing Day-Trading Margin Requirements
  - Report: Profile, Patterns and Pitfalls of Social Media-Informed Retail Investors
  - Announcement: Launch of Financial Intelligence Fusion Center (Cybersecurity & Fraud)
- FRB**
- Proposal: Intermediaries to Transfer Funds through the FedNow Service
  - Speech: Supporting Small Businesses (Lending, Basel III) (Vice Chair)
  - Speech: Stablecoin Regulation and Vulnerabilities (Governor)
  - Speech: Modernizing Reserve Bank Operations (Governor)
- FTC\***
- Guidance: Strategic Plan for FY 2026-2030
- NCUA**
- Proposals: "Deregulation" Project - Chartering/Eligibility; Mergers with Banks
  - Guidance: 2026 Performance Plan, 2026-2030 Strategic Plan
  - RFI: Enhancing and Streamlining Data Collection
  - Report: 2025 Annual Report
  - Announcement: New Charter Application System (Phase 1)
- OCC**
- Final: National Bank Non-Interest Charges and Fees
  - Final: Order Preempting the Illinois Interchange Fee Prohibition Act
  - Proposal: Streamlining Regulations Concerning Nondiscrimination Requirements
- SEC**
- RFC: The Consolidated Audit Trail and Other Audit Trails
  - Statement: Broker-Dealer Registration of Certain User Interfaces (Div. Trading & Markets)
  - Speeches: IPO Activity, Pipeline, Disclosures (Chair)
  - Speech: "A-C-T" (Advance-Clarify-Transform) Regulatory Strategy (Chair)



# Regulatory Recap: April 2026 (Cross-Industry)

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- Agenda
- Withdrawal/Rescission

## Executive/Legislative/SCOTUS

<b>White House*</b>	<ul style="list-style-type: none"> <li>● Guidance: Categorical Exclusions re: NEPA</li> <li>● Executive Order: Promoting Efficiency, Accountability, &amp; Performance in Federal Contracting</li> <li>● Announcement: New "Permitting Innovators" Program re: Federal Environmental Reviews</li> </ul>
<b>OPM</b>	<ul style="list-style-type: none"> <li>● Announcement: New Cybersecurity Role for U.S. Tech Force</li> </ul>

## Departments

<b>HHS</b>	<ul style="list-style-type: none"> <li>● Announcement: Reorganization of Department Roles re: Health Technology &amp; Innovation</li> </ul>
<b>DOJ*</b>	<ul style="list-style-type: none"> <li>● Guidance: Voluntary Self-Disclosures of Violations of National Security Laws</li> <li>● Announcement: FOCUS Initiative for Data Miners (False Claims Act)</li> <li>● Announcement: West Coast Strike Force Targeting Health Care Fraud</li> <li>● Announcement: Creation of the National Fraud Enforcement Division</li> </ul>
<b>DOL*</b>	<ul style="list-style-type: none"> <li>● Proposal: Joint Employer Status Under Federal Wage and Hour Laws</li> <li>● Guidance: Updated NEP – Outdoor and Indoor Heat-Related Hazards</li> <li>● Guidance: Bulletin on Enforcement Priorities re: Employee Benefits Laws</li> <li>● Announcement: Launch of AI in Registered Apprenticeship Innovation Portal</li> <li>● Announcement: Initiative Promoting AI Integration into Apprenticeships</li> <li>● Announcement: New Suite of Voluntary Self-Assessment Tools</li> </ul>
<b>Treasury*</b>	<ul style="list-style-type: none"> <li>● Guidance: Advisory on Health Care Fraud Schemes</li> <li>● Speech: CFIUS Priorities (Assistant Secretary for Investment Security)</li> </ul>

## Executive Agencies

<b>CISA*</b>	<ul style="list-style-type: none"> <li>● Guidance: Advisory on Foreign Government-Linked Covert Cyber Networks</li> <li>● Guidance: Adapting Zero Trust Principles to Operational Technology</li> </ul>
<b>EPA</b>	<ul style="list-style-type: none"> <li>● Final: Renewable Fuel Standard (RFS) for 2026 and 2027 - "Set 2"</li> <li>● Proposal: 6 Amendments to Coal Combustion Residuals (CCR) Requirements</li> <li>● Guidance: PFAS Destruction and Disposal</li> <li>● RFC: Draft Contaminant Candidate List 6 (Safe Drinking Water Act)</li> <li>● Announcement: Launch of Water Reuse Action Plan 2.0</li> </ul>
<b>FDA</b>	<ul style="list-style-type: none"> <li>● Proposal: Bulk Drug Substances Under the Federal FD&amp;C Act</li> <li>● Guidance: Draft Genome Editing Safety Standards</li> <li>● RFI: Real-Time Clinical Trials Pilot Program</li> </ul>



\*Some items appear in both FS and cross-industry as they are relevant across all industries.

## Regulatory Agencies




<b>Interagency</b>	<ul style="list-style-type: none"> <li>● Final: RAPID Coverage Pathway for Medical Devices (CMS, FDA)</li> </ul>
<b>FCC</b>	<ul style="list-style-type: none"> <li>● Final: E-Rate Program Amendments</li> <li>● Final: Conditional Approval of Certain Routers / Exemption from Covered List</li> <li>● Proposal: Know Your Upstream Provider</li> <li>● Proposal: Audible Crawl Rule Amendments</li> <li>● Proposal: Establishing a New E-Rate Competitive Bidding Portal</li> <li>● Proposal: Satellite Broadband Spectrum-Sharing Rule</li> <li>● Proposal: Combatting Robocalls through Know-Your-Customer Requirements</li> <li>● Proposal: Integrity and Security in Electronic Device Testing</li> <li>● Proposal: Excluding Covered-List Entities from Domestic Telecom Service</li> <li>● Guidance: Lowest Unit Charge Requirements</li> <li>● RFC: Competition in the Communications Marketplace (OEA)</li> <li>● RFC: TV Ratings System (Media Bureau)</li> <li>● RFC: Reforms to Promote American Drone Dominance</li> </ul>
<b>FTC*</b>	<ul style="list-style-type: none"> <li>● Proposal: Unfair and Deceptive Fee Practices in Online Food Services</li> <li>● Guidance: Strategic Plan for FY 2026-2030</li> <li>● Report: Consumer Protection Data Spotlight on Social Media Scams</li> </ul>
<b>NRC</b>	<ul style="list-style-type: none"> <li>● Proposal: Licensing Framework to Accelerate Deployment of Microreactors</li> <li>● Proposal: Leveraging DOE/DOW Data for Reactor Application Reviews</li> </ul>






# April 2026: Financial Services Regulatory Alerts

Topic	KPMG Insights	Regulatory Alerts/Articles
<b>Model Risk Management</b>	<ul style="list-style-type: none"><li>• <b>Tailored.</b> Consistent with the agencies' tailoring agenda, guidance is tailored to a banking organization's model risk profile and the size and complexity of its operations; generally intended for banking organizations with more than \$30 billion and those with less than \$30 billion if "significant exposure to model risk" due to the prevalence of complex models.</li><li>• <b>Scope Refinement.</b> The definition of "model" is narrowed to exclude simple arithmetic calculations and deterministic, rule-based processes. Generative AI and agentic AI models are not within the formal scope of the guidance but should follow a banking organization's established risk management and governance practices.</li><li>• <b>Risk-Based.</b> Greater flexibility in model development and model validation testing scope; no prescriptive requirements for performance/sensitivity/stability but testing (and governance) rigor should be commensurate with the model's inherent risk, exposure and purpose. Model validation activity, including timing and scope, may vary based on a model's risk.</li><li>• <b>Supervisory Posture.</b> The guidance clarifies that supervisory criticism will not be issued for deviation from the guidance alone. Instead, it will arise when "insufficient" risk management is linked to unsafe or unsound practices or other violations of law.</li><li>• <b>Looking Forward.</b> The regulatory focus on a risk-based approach is an evolving topic that may accelerate given the updated guidance. The agencies indicate they anticipate considering additional measures to address model risk management consistent with supervisory and other goals, including a forthcoming request for information on AI models, including generative AI and agentic AI.</li></ul>	 <p><a href="#">Model Risk Management: Revised Interagency Guidance</a></p>
<b>BSA/AML/CFT</b>	<ul style="list-style-type: none"><li>• <b>Modernization.</b> Moving towards a focus on effectiveness of program design and implementation, explicitly encouraging risk-based allocation of resources toward higher-risk areas and use of proactive analytics and innovative technologies.</li><li>• <b>Big Changes.</b> Potential to codify risk assessments as a regulatory requirement, including consideration of the AML/CFT Priorities; introduction of new notice and consultation framework for banks that would shift supervisory and enforcement actions toward "significant or systemic implementation failures."</li><li>• <b>Independent Testing.</b> Treasury and FinCEN suggest independent auditors of the AML/CFT programs should assess against objective criteria and not substitute their own subjective judgments for that of the financial institution.</li><li>• <b>Potential Concerns.</b> Broadly defined terms, such as "significant," "systemic," and "material" may need additional clarification for consistency across financial institutions and federal regulators; differing levels of requirements pose risk of inconsistent treatment between banks and non-banks.</li></ul>	 <p><a href="#">BSA/AML/CFT: FinCEN and Federal Banking Agency Reform Proposals</a></p>

# April 2026 : Cross-Industry Regulatory Alerts

Topic	KPMG Insights	Regulatory Alerts/Articles
AI	<ul style="list-style-type: none"> <li>• <b>Federal Preemption:</b> Expands on the December 2025 Executive Order, which calls for eliminating a patchwork of state laws that conflict with federal policy in favor of a single federal approach, with certain notable exceptions (e.g., child safety, state procurement) (See KPMG Regulatory Alert, here).</li> <li>• <b>Children’s Safety:</b> Prioritizes safety features for minors, including parental attestation, privacy, data collection, targeted advertising, and content restrictions; emphasizes avoidance of “ambiguous” standards and “open-ended” liability; building on legislation such as the Take It Down Act and other initiatives.</li> <li>• <b>Infrastructure and Energy:</b> Consistent with the March 2026 Ratepayer Protection Pledge, promotes infrastructure/data center buildout without burden/harm to communities or individuals; notably state zoning laws would not be subject to preemption.</li> <li>• <b>Congressional Action:</b> Calls for Congress to work with the Administration to draft legislation that will implement the Administration’s national policy framework in the next few months.</li> </ul>	 <p><a href="#">AI: National Policy Framework; Recommendations for Legislation</a></p>
SEC Regulatory Outlook	<ul style="list-style-type: none"> <li>• <b>Modernization &amp; Innovation:</b> Regulatory focus will be on advancing frameworks that recognize current markets (e.g., crypto assets), clarify jurisdictional boundaries, and prioritize materiality (e.g., disclosures, enforcement).</li> <li>• <b>Robust Rulemaking:</b> A “robust” rulemaking pipeline set for the year ahead, including in areas such as the Custody Rule, disclosure requirements, and a crypto asset regulatory framework, among others.</li> <li>• <b>Just the Beginning:</b> Harmonization efforts between the SEC and CFTC signal the beginning of long-awaited jurisdictional clarity on crypto assets.</li> </ul>	 <p><a href="#">SEC Speaks 2026</a></p>
Financial Stability	<ul style="list-style-type: none"> <li>• <b>Old is New:</b> Proposal would revert to some elements of the Interpretive Guidance first introduced in 2019 but changed in 2023, including an activities-based approach to reviewing threats to financial stability, along with additional updates.</li> <li>• <b>Activities vs. Entities:</b> Priority will be on identifying and responding to risks from activities or practices across markets rather than on individual companies.</li> <li>• <b>Off-Ramp Option:</b> Under a new process, the FSOC would be able to identify steps a nonbank financial company could take to address potential risks to U.S. financial stability.</li> </ul>	 <p><a href="#">Financial Stability: Nonbank Determination; Proposed Interpretive Guidance</a></p>

# April 2026 : Cross-Industry Regulatory Alerts

Topic	KPMG Insights	Regulatory Alerts/Articles
<p><b>Payment Stablecoins</b></p>	<ul style="list-style-type: none"> <li>• <b>Unified Focus:</b> The FDIC, NCUA and OCC issue proposed implementing regulations that closely align with the provisions of the GENIUS Act and with one another, nuanced for the specific entities under their respective jurisdictions, including a focus on safety and soundness and requirements related to application processes, reserve requirements, capital, risk management, and custody (as appropriate).</li> <li>• <b>OCC Frontrunner:</b> The OCC is the first of the federal payment stablecoin regulators to issue a “comprehensive” proposal—covering frameworks for applications/licensing and supervision and regulation, “setting the tone” for the other regulators (Note: FDIC states that it has aligned its proposal with that of the OCC where relevant).</li> <li>• <b>Potential for Change:</b> Though closely aligned with the GENIUS Act, the agencies are posing a large number of questions—nearly 350 from the FDIC and OCC combined—which could generate significant input from interested parties.</li> <li>• <b>Safe Harbor:</b> The safe harbor provides opportunity for the agencies to waive compliance with the GENIUS Act provisions for up to 12 months for PPSIs with substantially complete applications pending as of the effective date of the GENIUS Act. Important to note that a waiver does not preclude the agencies from denying an application.</li> </ul>	 <p><a href="#">GENIUS Act: FDIC, NCUA, OCC Proposals for Applications, Prudential Frameworks</a></p>
<p><b>Payment Stablecoins</b></p>	<ul style="list-style-type: none"> <li>• <b>Payment Stablecoin Framework:</b> FinCEN and OFAC’s joint proposal establishes stablecoin issuers as a new category of financial institution, separate from money services businesses; working with the implementing regulations put forth by federal and state payment stablecoin regulators.</li> <li>• <b>AML/CFT Reforms:</b> Rules for payment stablecoin issuers would align with FinCEN’s AML/CFT proposals for U.S. financial institutions more broadly, emphasizing program effectiveness, risk-based assessments, and the allocation of resources to higher-risk areas.</li> <li>• <b>Sanctions Compliance Program:</b> The proposal is the first time that federal law would explicitly require a category of financial institution to maintain a formal sanctions compliance program.</li> <li>• <b>Secondary Market Responsibilities:</b> Issuers would have certain requirements to meet AML/CFT and sanctions compliance concerning secondary market activities, including the ability to block, freeze, or reject impermissible transactions. Notably, suspicious activity reporting obligations would not extend to the secondary market under the proposal.</li> </ul>	 <p><a href="#">GENIUS Act: FinCEN/OFAC Proposal on AML/CFT and Sanctions Compliance</a></p>
<p><b>Payment Stablecoins</b></p>	<ul style="list-style-type: none"> <li>• <b>Unified Focus:</b> Federal and state regulators are working to implement the GENIUS Act provisions recognizing that certain state qualified payment stablecoin issuers over defined thresholds may be supervised at the federal level.</li> <li>• <b>Substantial Similarity:</b> The Department of the Treasury proposes broad-based principles to determine if state regulatory regimes are “substantially similar” to the federal regulatory framework, covering areas where the state has and does not have regulatory discretion.</li> <li>• <b>“Federal Regulatory Framework”:</b> Determined to encompass both the statutory text of the GENIUS Act and the core regulatory framework set up across federal agencies’ implementing regulations, specifically including issuances from the OCC, Treasury and FRB.</li> <li>• <b>Transition:</b> State regulatory regimes are expected to adopt transition provisions for state qualified payment stablecoin issuers to shift to federal oversight once they exceed the \$10 billion outstanding payment stablecoin issuances threshold.</li> <li>• <b>Calibration:</b> The proposal includes minimal flexibility for state-calibrated requirements (e.g. additional reserve assets, discretionary limits on timely redemptions, rehypothecation) and aligns those with GENIUS Act citations.</li> </ul>	 <p><a href="#">GENIUS Act: Treasury Proposal on State-Level Regulatory Regimes</a></p>

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# Coming Soon!



## Ten Key Regulatory Challenges of 2026: Midyear

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