

KPMG

Regulatory Insights

Regulatory Recap: October 2026

Regulatory Recap: October 2026 (Financial Services)



Executive/Legislative/SCOTUS

OPM*
- Final: Family and Medical Leave Act Regulations

White House*
- Executive Order: "Inaugurating the Era of Super Intelligence"
- Executive Order: "Streamlining Access to Government Services through America.gov"

Executive Agencies

CISA*
- Guidance: CISA 2030 Strategy
- Guidance: Critical Infrastructure Threat Advisory, Ransomware Alert

NIST*
- Guidance: Transition to Post-Quantum Cryptography Standards

Departments

DOJ*
- Guidance: Corporate Enforcement Priorities (Fraud Division)
- Speech: Technology and Antitrust Enforcement (Deputy Assistant Attorney General)
- Announcement: First "Near Miss" Non-Prosecution Agreement under the DOJ CEP
- Announcement: Update on Collaboration with State AGs re: Local Mergers
- Announcement: Results of International "Joint Disruption Week" re: Fraud, Scams, & TCOs
- Announcement: New Anti-Fraud Whistleblower Incentive Program (WHIP)

Treasury*
- Proposal: Homebuying by Large Institutional Investors (ROAD to Housing Act)
- Proposal: Outbound Investment Security Program (OISP) Updates
- Announcement: Suspicious Activity Re: Federal Student Aid Fraud (FinCEN)
- Withdrawal: Two Proposed Digital Asset-Related Rules (FinCEN)

State Activities

CSBS
- Report: Annual Survey of Community Banks - Technology Risks Highlighted
- Announcement: Launch of Nonbank Industry Advisory Council
- Announcement: CA DFPI to Implement the Mortgage Compliance Dataset
- Statement: Regional Bank FRB Supervision

NY
- RFI: Connecting Injured Workers to Low-Cost Bank and Credit Union Accounts
- Announcement: MOU w/ Wyoming re: Oversight of VCs & Digital Asset Activities (NYDFS)

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

Regulatory Agencies

CFPB
- Report: Fair Lending Report for 2025
- Announcement: New Initiative to Address Consumer Harm re: Debanking Activities

CFTC*
- Final: Interim Rule Excluding Certain Activity from the Definition of Swap
- Proposals: Definition of "Swap"; ANPR re: Regulatory Framework for Crypto Assets
- Guidance: No-Action Letters re: Converting to True Perpetual Futures; Brexit-Related Extensions
- Guidance: MOU with NBA re: Prediction Markets
- Speeches: Crypto Assets and Current Regulations; DCM Listing of KPI Contracts (Chair)
- Speech: Super Intelligence Regulation (Chair)
- Speech: Agriculture; Commodity Futures; Working with USDA and EPA (Chair)

FINRA
- Final: Amended Communications, Options, and Margin Requirements re: Binary Options
- Final: New Rule 3290 (Outside Activities Requirements)
- Final: Allocations of Orders Made by Investment Advisers
- Final: Amendments to Corporate Financing Rules
- Proposal: Four Rules – Membership, Certification, Same Quote, Mutual Funds

FRB
- Final: Modifications to the Capital Plan Rule and Stress Capital Buffer
- Final: Enhanced Transparency and Accountability of Stress Test Models and Scenarios
- Proposal: Model Changes for the Board's 2027 Supervisory Stress Test
- Speeches: Modernizing Regulation and Supervision (Vice Chair for Supervision)
- Speech: The Dual Mandate in Rural America (Governor)
- Speeches: Payments in the Age of AI Agents, AI and the Economy (Governor)
- Speech: Cyber Readiness in Banking (Vice Chair for Supervision)

FTC*
- Report: Fraud Targeting Older Adults (Annual Report to Congress)

NCUA
- Withdrawal: Twelfth and Thirteenth Rounds of "Deregulation" Proposals

OCC
- Final: GENIUS Act - Issuance & Certain Related Activities; Revised Reporting Forms and Instructions
- Guidance: GENIUS Act - Waivers and Application Submissions
- Guidance: Updated Version of the "Concentrations of Credit" Handbook and Rescissions
- Report: Large Banks' Debanking Activities
- Speech: Reforms for Resolution Planning (Comptroller)
- Speech: Regulatory & Supervisory Framework to Support Military Community (Comptroller)
- Speech: Community Banks - Identifying & Combating Fraud (Comptroller)
- Statement: Call to Clarify Applicability of State Climate Disclosure Laws (Preemption) (Comptroller)

SEC*
- Proposal: Investment Company Cross Trading
- Proposal: Amendments to Expand Responsible Retailization of Private Markets
- Proposal: Adviser & Regulated Fund Custody Rules; Crypto Custody Rules
- Guidance: New Exam Handbook
- Guidance: FAQs re: Application of Securities Laws to Crypto Assets & Related Transactions
- Report: 2027 Examination Priorities
- Speech: IPO Modernization and Regulation Crowdfunding (Chair)
- Speeches: "Transfer Portal" re: Tokenized Securities; Market Structure (Dir. Div. of Trading and Markets)
- Statement: FV Measurement & Disclosure for Private Assets (Dir. Div. Investment Mmgt)

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Regulatory Recap: October 2026 (Cross-Industry)

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

Executive/Legislative/SCOTUS

OPM*	Final: Family and Medical Leave Act Regulations
OSTP	Announcement: New Federal Science Initiatives (including Genesis Mission)
White House*	Guidance: MOU With Foreign Country re: Technology Prosperity Deal Report: The Economic Benefits of Permitting Reform Fact Sheet: America First Seafood Strategy re: Import Compliance & Rebuilding Infrastructure Memo: Domestic Petroleum Production, Refining, and Logistics Capacity Executive Order: "Inaugurating the Era of Super Intelligence" Executive Order: "Streamlining Access to Government Services through America.gov" Executive Action: "Adjusting Imports of Robotics and Industrial Machinery into the U.S."

Executive Agencies

CISA*	Guidance: CISA 2030 Strategy Guidance: Critical Infrastructure Threat Advisory; Ransomware Alert
EPA	Announcement: Launch of PFAS TECH Strategy Announcement: New Resource Conservation & Recovery Act Reform Initiative Withdrawal: Proposed Reconsideration of Clean Air Act Rules
FDA	Guidance: Prescription Drug Apps and Software - Final Guidance Announcement: Intent to Evaluate Changes to PMTA Rule Announcement: Launch of the Rare Disease Framework Initiative Announcement: New Neuroscience Innovation Program (NAIN)
NIST*	Guidance: Transition to Post-Quantum Cryptography Standards

Departments

DOE	Announcement: First-Ever License Granted for TRIG Gasification Technology
DOJ*	Guidance: Corporate Enforcement Priorities (CEP) (Fraud Division) Speech: Technology and Antitrust Enforcement (Deputy Ass't Att'y General) Announcement: First "Near Miss" Non-Prosecution Agreement under the DOJ CEP Announcement: Update on Collaboration with State AGs re: Local Mergers Announcement: Results of International "Joint Disruption Week" re: Fraud, Scams, & TCOs Announcement: New Anti-Fraud Whistleblower Incentive Program (WHIP)
DOL	Final: Improving Transparency into Pharmacy Benefit Manager Fee Disclosure Confirmation: Secretary of Labor
HHS	Final: Healthcare Price Transparency Requirements Final: Health Data, Technology, Interoperability (HTI-5) Deregulatory Rule re: Certification Guidance: Draft Guidance re: Individualized Human Genome Editing Products Announcement: Launch of SURPASS Program re: Clinical Trials
Treasury*	Proposal: Outbound Investment Security Program (OISP) Updates

Regulatory Agencies

Inter-agency	Guidance: MOU for Cooperation on Agricultural Inputs (DOJ, USDA) Guidance: Cybersecurity Advisory, #StopRansomware: SafePay Ransomware (CISA, FBI) RFC: Agricultural Equipment Market Practices (FTC, USDA) Announcement: Healthcare False Claims Act Self-Disclosure Pilot Program (HHS, DOJ) Announcement: Self-Disclosure Protocol for Criminal Health Care Fraud (DOJ, HHS) Announcement: Grid Reliability, Nuclear, Cyber Joint Meeting (FERC, NRC)
CFTC*	Speech: Agriculture; Commodity Futures; Working with USDA and EPA (Chair)
FCC	Final: Modernized Approach to NEPA Environmental Regulations Final: Security for Cross-Border Communications Final: Device Test Lab Onshoring, Reciprocity Rules Final: Order to Ease Restrictions for Drone Operations Proposals: Modernization of the Accessibility Rules, Ultra-Wideband Technology Rules Proposal: Rural Broadband Protection Act Implementation Rules RFI: Advancement of Next Generation 911 Framework Speech: Spectrum Agenda for the Space Economy (Commissioner) Withdrawal: Repeal of National Television Multiple Ownership Rule
FERC	Proposal: Launch of First LNG Authorization Program Guidance: Draft Policy Statement re: Accelerating NEPA Reviews Report: Lessons Learned from Critical Infrastructure Protection Audits
FTC*	Guidance: Letters to 24 Hospitals on Pricing Disclosure Obligations Report: Fraud Targeting Older Adults (Annual Report to Congress) Announcement: Highlights of Agency's Efforts to Combat Fraud & Scams
NRC	Final: NRC Reviews of Reactor Designs Previously Authorized by DOE or DOW Final: Streamlining Licensing for Reactor Designs Tested by DOE or DOW Guidance: Renewal of Reactor Design Certification; Streamlining Licensing Process
SEC*	Guidance: New Exam Handbook Report: 2027 Examination Priorities Statement: FV Measurement & Disclosure for Private Assets (Dir. Div. Investment Mmgt) Speech: IPO Modernization and Regulation Crowdfunding (Chair) Speech: "Transfer Portal" re: Tokenized Securities (Director, Div. of Trading and Markets)

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October 2026: Financial Services Regulatory Alerts



Topic	KPMG Insights	Regulatory Alerts/Articles
Bank Mergers	— **Tailored Approach:** Introduces new merger transaction categories based on type, size, and complexity of potential risk (e.g., de minimis merger transaction) and ties processing and review timelines to the merger transaction type. — **Predictability and Speed:** Sets asset-based thresholds, definitive review timeframes, safe harbors for evaluations, and consideration of remediation plans, to increase clarity of the evaluation factors and process. — **Potential Increase in Merger Activity:** Potential for faster reviews and clear filing requirements to encourage FDIC-supervised merger applications; will the FRB and OCC make similar changes to their evaluations of bank mergers under the Bank Merger Act?	Bank Merger Transactions: FDIC Proposed Rule
BSA/AML/CFT	— **Long Standing Issues:** Documenting concerns or engaging in prolonged internal reviews without appropriate corrective action does not satisfy a financial institution's compliance obligations. Financial institutions that fail to timely remediate known issues risk being identified as "willfully" violating BSA/AML/CFT program compliance. — **Risk-Based Supervision:** Enforcement actions align with regulators' priorities to tailor supervision to an individual financial institution's size, complexity, business model, and risk profile as well as the administration's priorities of national security and foreign policy. — **Next Steps:** Remediation efforts may require engaging with an independent third party to evaluate BSA/AML compliance program design and effectiveness, conduct root-cause analyses, and identify areas for improvement. In certain cases, third parties may perform a historical look back to determine whether suspicious activity was appropriately identified, investigated, and reported. — **Looking Forward:** As the volume and complexity of transactions continue to increase, financial institutions should align risk assessments, staffing, escalation processes, and remediation oversight across business lines to integrate compliance throughout the institution. Regulators increasingly expect BSA/AML and sanctions compliance programs to be "effectively integrated and mutually reinforcing" on an enterprise-wide basis.	BSA/AML/CFT Compliance
Crypto Markets	— **Federal Option:** Contemplates an option to allow crypto asset exchanges to offer margined, leveraged, or financed transactions alongside spot transactions within current laws and regs; alternative to a variety of potentially conflicting state laws. — **Oversight Until Actual Delivery:** Asserts CFTC jurisdiction over covered transactions, including fully paid, until customers obtain "meaningful possession or control" of assets. — **Early Days:** Comments will shape an eventual rule proposal; staff are also working with developers and founders of decentralized exchanges to better understand how current laws and regs apply to onchain venues and products.	Crypto Markets: CFTC ANPR on Retail Crypto Transactions
Stress Testing	— **Refinement not Rewrite:** Reflects modernization of the stress testing framework with a focus on transparency and risk sensitivity; changes are expected to reduce volatility though not anticipated to provide significant capital relief in the aggregate. — **Capital Planning:** More visibility into the relationship between their risk profile and capital requirements, increasing certainty when capital planning. — **Public Input:** Encouraging public comment for model disclosures, model changes and scenarios is expected to promote public accountability (including investors, counterparties, and rating agencies), instill confidence in the fairness of the supervisory test, and strengthen market discipline.	Stress Testing and Capital Planning: FRB Final Rules

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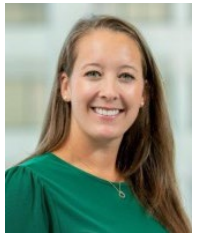
October 2026: Cross-Industry Regulatory Alerts



Topic	KPMG Insights	Regulatory Alerts/Articles
Prediction Markets	— **Jurisdictional distinctions:** Coordinated releases affirm the CFTC position that it is the primary regulator with exclusive jurisdiction over event contracts; distinguish federal vs. state oversight authorities for "gambling." — **Primary consideration:** Cites the "potential economic consequences" associated with sports-, politics-, cultural-, and weather-related events as the main support for finding event contracts predicated on those events are swaps. — **Litigious environment:** Ongoing and conflicting federal-state jurisdictional disputes/lawsuits/court rulings amidst high-profile state enforcement activity; potential for Supreme Court to weigh in.	Prediction Markets: CFTC Proposal, Interim Final Rule on Event Contracts

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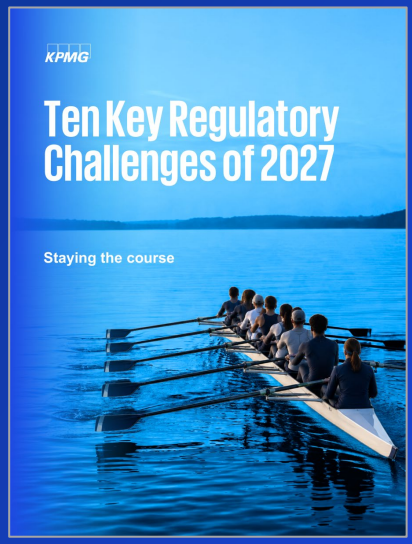
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