Rob Nichols Washington Update Column
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Cutting through the noise—and the regulatory red tape

We are halfway through 2025, and while there have been several significant developments—from the escalation of geopolitical tensions abroad to economic uncertainty at home—there's a positive message I want to send to bankers: our agenda is moving forward.

With the help of tireless advocates here in Washington and at the state associations, ABA is continuing our steadfast work with the administration and like-minded lawmakers in Congress to advance the policy priorities that are most important for our members, as outlined in our Blueprint for Growth—and we have the tools, the resources, and the people in place to make it happen.

In early June, Federal Reserve Governor Miki Bowman was sworn in as the new vice chair for supervision—which we view as an incredibly positive step for our industry. Her first speech shortly after her confirmation gave a strong signal that we could soon see a return to tailored regulation that will help banks unlock economic growth and better serve their customers, clients and communities while still managing risks.

Governor Bowman is one of many policymakers now occupying key positions in Congress and at the banking agencies who understand just how vital it is that we have a strong, thriving banking sector in this country.

We've also had a number of wins in the past few months alone that again signal a return to a more rational regulatory framework.

Congress came together to pass a bipartisan bill rejecting the CFPB's misguided overdraft rule—which would have taken a vital credit option off the table for thousands of Americans who rely on it to manage their finances responsibly—and it was signed by President Trump earlier this spring. This action not only scraps the overdraft rule, it also blocks the CFPB from issuing a substantively similar rule in the future.

ABA played a significant role in getting the CRA resolution over the finish line, working to educate lawmakers and their staff on the harm this rule would do if allowed to take effect. There were some in our industry who didn't think we could get this done—but ABA and our members pushed hard, and our industry is stronger for it.

We also continue our advocacy on Capitol Hill in support of longstanding ABA priorities like the Access to Credit for our Rural Communities Act, or ACRE—which was reintroduced with strong bipartisan support in this Congress—as well as bills that would encourage de novo formation and support the important work of community development financial institutions and minority depository institutions.

On the regulatory side, we've seen rollbacks of several misguided rules or policy statements, and the banking agencies have signaled forthcoming changes to the 2023 Community Reinvestment Act final rule, as well as changes to rules implementing Sections 1071 and 1033 of the Dodd-Frank Act.

And—after sustained advocacy by ABA—the CFPB rescinded a package of "guidance" documents that we felt actually set new regulatory expectations, while circumventing the rule writing process.

Coupled with several recent victories in court—including favorable settlements with the CFPB over their appeal of our UDAAP win and late fee final rule—it seems that a regulatory recalibration is well underway, and we continue to hear commitments from Treasury Secretary Scott Bessent about working constructively with our sector to cut through the red tape.

While they might not be the things making national headlines, these changes are happening—and they are incredibly meaningful not just for banks, but for the American economy.

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