List of Banking Regulations

Here are the most prevalent regulations driving today’s banking compliance landscape:

1. **Basel III Capital and Liquidity Standards**  
   A global framework issued by the Basel Committee on Banking Supervision, Basel III mandates higher minimum capital ratios (Common Equity Tier 1, Tier 1, Total Capital) and liquidity coverage requirements to ensure banks can absorb losses and meet short‐term obligations in stress scenarios. Most jurisdictions (including the U.S., EU, UK, Japan, and Canada) have implemented these end-state reforms, which remain the bedrock of prudential supervision. [globallegalinsights.com](https://www.globallegalinsights.com/practice-areas/banking-and-finance-laws-and-regulations/usa/?utm_source=chatgpt.com)[yields.io](https://www.yields.io/blog/global-banking-regulations/?utm_source=chatgpt.com)
2. **Dodd-Frank Wall Street Reform and Consumer Protection Act** (2010)  
   In the U.S., Dodd-Frank overhauled post-crisis regulation by introducing:
   * Federal Reserve stress tests (CCAR/DFAST)
   * Resolution planning (“living wills”) for systemically important banks
   * The Volcker Rule limiting proprietary trading by insured depository institutions  
     It remains central to U.S. bank supervision, even as some requirements are under review. [practiceguides.chambers.com](https://practiceguides.chambers.com/practice-guides/banking-regulation-2025/usa?utm_source=chatgpt.com)[sanctionscanner.com](https://www.sanctionscanner.com/blog/what-are-banking-regulations-definition-purpose-and-examples-1086?utm_source=chatgpt.com)
3. **Bank Secrecy Act (BSA) / Anti–Money Laundering (AML) & KYC**  
   The BSA (1970) and its AML implementing rules (including the USA PATRIOT Act’s Customer Identification Program) require banks to:
   * File Suspicious Activity Reports (SARs)
   * Maintain Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD)
   * Verify customer identity (KYC) and monitor transactions for illicit finance  
     These rules are enforced by FinCEN, the OCC, FRB, FDIC, and state regulators. [en.wikipedia.org](https://en.wikipedia.org/wiki/Know_your_customer?utm_source=chatgpt.com)[yields.io](https://www.yields.io/blog/global-banking-regulations/?utm_source=chatgpt.com)
4. **Community Reinvestment Act (CRA)**  
   Enacted in 1977, the CRA obliges federally insured banks to help meet the credit needs of their local communities—including low- and moderate-income neighborhoods—consistent with safe and sound operations. Regulators (OCC, FDIC, Federal Reserve) evaluate banks on lending, investment, and service performance. [federalreserve.gov](https://www.federalreserve.gov/consumerscommunities/cra_about.htm?utm_source=chatgpt.com)[occ.treas.gov](https://www.occ.treas.gov/topics/consumers-and-communities/cra/index-cra.html?utm_source=chatgpt.com)
5. **Gramm–Leach–Bliley Act (GLBA)**  
   GLBA (1999) governs financial privacy and data security. Key components include:
   * **Financial Privacy Rule:** Annual privacy notices to customers
   * **Safeguards Rule:** Written information security programs to protect nonpublic personal information
   * **Pretexting Protection:** Prohibits obtaining customer information under false pretenses  
     All banks must implement and periodically test written security plans. [sanctionscanner.com](https://www.sanctionscanner.com/blog/what-are-banking-regulations-definition-purpose-and-examples-1086?utm_source=chatgpt.com)
6. **Sarbanes–Oxley Act (SOX)**  
   Although primarily focused on public companies, SOX’s Section 404 (management assessment of internal controls) and Sections 302/906 (officer certifications) apply to publicly traded banks and their holding companies. It enforces rigorous financial reporting, internal control testing, and auditor independence. [investopedia.com](https://www.investopedia.com/terms/s/sarbanesoxleyact.asp?utm_source=chatgpt.com)[auditboard.com](https://auditboard.com/blog/sox-compliance?utm_source=chatgpt.com)
7. **GDPR (General Data Protection Regulation)**  
   For banks operating in or processing data of EU residents, GDPR imposes data‐protection obligations—consent management, data minimization, breach notification within 72 hours, and subject rights (access, erasure). Non-compliance can result in fines up to €20 million or 4% of global turnover. [logicgate.com](https://www.logicgate.com/blog/gdpr-industry-focus-how-does-the-gdpr-impact-financial-services/?utm_source=chatgpt.com)
8. **PSD2 & MiFID II (EU-wide)**
   * **PSD2 (Payment Services Directive 2)** mandates strong customer authentication (two-factor), open APIs for third-party providers (PISPs/AISPs), and consumer protections around payment initiation and account data sharing. [en.wikipedia.org](https://en.wikipedia.org/wiki/Payment_Services_Directive?utm_source=chatgpt.com)
   * **MiFID II (Markets in Financial Instruments Directive 2)** overhauls market structure and investor protection—best execution, transparency, product governance, and conduct-of-business rules for investment firms and trading venues. [business.bofa.com](https://business.bofa.com/en-us/content/mifid-ii-regulation-summary-requirements.html?utm_source=chatgpt.com)

Banks also face an evolving patchwork of specialized regulations—cybersecurity (e.g., FFIEC IT Examination Handbooks), climate-risk disclosures, fintech-specific rules, and regional frameworks (e.g., CCPA in California). But the eight listed above represent the core, pervasive pillars of today’s banking‐regulatory regime.