



**Community Bankers  
Association of Illinois**  
One Mission. **Community Banks.**

## **CBAI Applauds the Federal Reserve’s Coordinated Approach to Fraud Protection**

CBAI applauds Federal Reserve Vice Chair for Supervision Miki Bowman’s recent comments in a speech about the Fed’s approach to addressing the serious and pervasive problem of payments and check fraud and its impact on consumers and small businesses. Vice Chair Bowman’s encouraging and insightful remarks included:

- ✓ “The Federal Reserve is committed to a comprehensive strategy of leveraging our unique authorities to prevent payments fraud... .”
- ✓ “In our capacity as bank supervisors, we are evaluating a range of responses, including enhanced guidance and resources for banks.”
- ✓ “Success in combating payments fraud also requires strong partnerships ... with state and federal partners, including law enforcement, to address this evolving threat together.”
- ✓ “[Treasury] Secretary Bessant, FCC Chair Brendan Carr, and I will soon build on our ongoing collaboration through a public-private roundtable.”
- ✓ And “I look forward to ... coordinating with banks, fellow regulators, law enforcement, consumer advocates and policymakers to confront this crisis and to preserve and enhance the public’s trust in the financial system.”

For the past four years, CBAI has shared its annual member check fraud survey results with the Federal Reserve, the OCC and the FDIC. We appreciate meeting with Fed Vice Chair Bowman last year in Washington, D.C., to discuss our recommendations for addressing payments/check fraud. These recommendations included joint supervisory guidance directed at the largest financial institutions to ensure fraudulent accounts are never opened, robust examination to ensure these largest institutions truly know their customers (KYC), and assurances that community banks are promptly and reasonably reimbursed for fraudulent check returns.

CBAI stands ready to cooperate with the Federal Reserve and other banking regulators to confront this crisis.

**[Federal Reserve Vice Chair for Supervision Miki Bowman’s Recent Comments →](#)**

**[Annual Member Check Fraud Survey Results →](#)**

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