



CBAI Again Urges Regulators to Increase Their Involvement in Addressing Check Fraud and Reimbursements for Fraudulently Altered Return Checks

In early 2026, and for the fourth consecutive year, CBAI surveyed its community bank members about their experience with fraudulent returns and shared this information with the federal banking regulators, along with recommendations urging their increased involvement in addressing these pervasive and severe problems.

The CBAI member survey revealed the following results for 2025:

- Almost ninety-five percent had experienced the problem of fraudulent check returns.
- Almost one-third had difficulty being reimbursed for fraudulent check returns.
- The top three offending large banks that were most difficult to work with were Chase Bank, Bank of America, and Wells Fargo – the same as last year.
- Forty-five percent saw an increase in the dollar amount of each fraud return item, and not one reported a decrease; and
- When the amount of check fraud losses was combined with the operating expense of detecting, investigating, and deterring fraud, the average total was just under \$75,000!

In an April 13, 2026, letter to the federal banking regulators, CBAI again renewed its call for Joint Supervisory Guidance directed at the largest financial institutions to ensure they are able to detect and deter the opening of fraudulent accounts. CBAI urged the regulators to embrace their supervision, examination, and enforcement responsibilities with respect to the largest institutions for check fraud, and to increase their involvement to ensure community banks are promptly and reasonably reimbursed for fraudulent returns.

CBAI believes the continued lack of tangible results in addressing these problems is unacceptable, harms community banks and their customers, and undermines the public's confidence in the U.S. banking system.

[Read CBAI's Comment Letter to the Federal Banking Regulators →](#)