



CBAI ACTION ALERT: Urge the Banking Regulators to Address Check Fraud

After a year's year-long effort to address check fraud and reimbursements for fraudulently altered checks, the federal banking regulators have issued a joint Request for Information (RFI) on potential actions to address payments fraud (including check fraud). An RFI is typically the precursor to rulemaking, which is urgently needed to address the serious and growing problem of check fraud. [Here is the link to the RFI.](#)

Comments are due to the regulators by September 18, 2025.

CBAI encourages you to use the ICBA's resource and guidance to submit comments on the RFI to the regulators. [Here is the link to the Action Alert and Guidance.](#)

The RFI asks many questions ranging from External Collaboration, Education, Regulation and Supervision, Data Collection and Information Sharing, to New Tools and Services. Based on three consecutive years of CBAI-member survey results, Illinois community bankers will be particularly focused on the questions concerning **Regulation and Supervision**, which relate to fraudulent check returns. The consistent survey results revealed that the regulators need to address the apparent compliance lapses at several of the largest banks for their opening fraudulent accounts into which fraudulent checks are deposited, which clear back and harm community banks and their customers, and undermine the confidence in the nation's payments and banking system.

CBAI and the ICBA encourage community bankers to share their suggestions about the problem with the current check return deadlines (i.e., the 24-hour return rule), Reg CC (i.e., expedited funds availability), and the UCC (i.e., the widely ignored presumption of fraudulent alterations), and their frustrations with reimbursements by these largest banks (no one to speak with and difficulty in being promptly and reasonably reimbursed). This is your chance to tell your story to the banking regulators about your bank's experience with check fraud. It does not have to be a long letter or email, but we need a very strong showing from Illinois community bankers.

Please contact CBAI's David Schroeder at dauids@cbai.com with questions you have about responding to this Action Alert.

Thank you very much for responding.