How Bank-Fintech Partnerships Changed In 2025

By **Jennifer Crowder, Joshua Durham and Judith Rinearson** (December 8, 2025)

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Bank-fintech partnerships have been flourishing in recent years. These include arrangements to operate banking-as-a-service programs, embedded finance programs (where banks allow for access to their banking services through application programming interfaces), white-label banking services or other bank partnership models.

These arrangements have long been subject to heavy regulatory scrutiny. But the landscape may now be altering.

A change of administration almost always brings about regulatory changes in Washington, D.C. But the impact of the 2025 transition to the Trump administration — augmented by the U.S. Supreme Court's 2024 reversal of Chevron deference in Loper Bright Enterprises v. Raimando — has resulted in unprecedented change throughout the federal government.[1]

The impact on bank-fintech partnerships is no exception. Here's a summary of the key areas where significant changes have occurred.

A More Permissive Stance Toward Digital and Crypto-Assets

Perhaps the most prominent change in bank-fintech partnerships triggered by the new administration is the overall approach and attitude toward digital assets and cryptocurrencies. Interpretive Letter 1183, issued on March 7 by the U.S. Office of the Comptroller of the Currency, rescinded a previous interpretive letter, 1179, that had required federally chartered financial institutions to receive a nonobjection letter from the OCC prior to engaging in digital asset activities.[2]

Interpretive Letter 1183 also reaffirmed that crypto-asset custody, distributed ledger and stablecoin activities are permissible for national banks and federal savings associations.

A few weeks later, the Federal Deposit Insurance Corp. issued similar guidance, clarifying that banking institutions may engage in permissible crypto-related activities without prior FDIC approval.[3]

These were just the first steps in an overall regulatory transformation to a much more permissive stance with respect to banking and digital assets, which continued throughout the year. Other actions taken to encourage exploration and use of digital assets by the banking sector include the following.

In April, the Federal Reserve Board announced the withdrawal of guidance for banks related to their crypto-asset and dollar token activities.[4]

In May, the OCC clarified bank authority to engage in crypto-asset, custody and execution services.[5]

In July, the federal banking agencies issued a joint statement on risk management considerations for crypto-asset safekeeping.[6] And also in July, passage of the Genius, or Guiding and Establishing National Innovation for U.S. Stablecoins, Act established a regulatory framework for the issuance of payment stablecoins.[7]

These developments have made it much easier for banks and crypto-related fintechs to work together. Of course, such activities are still subject to oversight and regulation.

The OCC and FDIC have emphasized that banks must conduct these services in a safe, sound and fair manner, adhering to applicable laws and sound risk management practices.

Changes at the CFPB

The administration has long shown skepticism regarding the necessity, priorities and funding of the Consumer Financial Protection Bureau. This year saw the CFPB's staff reduced, enforcement actions dismissed, and a number of CFPB projects and actions curtailed or rescinded.

These changes, outlined below, have also reduced regulatory burdens and made it easier for banks to work with fintechs in a range of areas.[8]

From February to August, 22 enforcement actions were permanently dismissed.[9]

In October, there was the recission of the nonbank registry.[10] In order to identify recidivist violators, this CFPB rule required companies to report when they incurred regulatory consent orders or court orders.

The registry was eliminated by the administration based on concerns that the costs to comply were not justified by the "speculative and unquantified" potential benefits to consumers, as the CFPB put it.

Also in October, compliance with the CFPB's open banking rule (based on Section 1033 of the Dodd-Frank Act) was frozen by the U.S. District Court for the Eastern District of Kentucky in CFPB v. Forcht Bank until the CFPB completes its reconsideration of the rule.[11]

The rule would have allowed consumers to obtain from their bank their own financial information — such as balances, transaction histories and payment data — at no charge. It would have made it easier for consumers to move their bank accounts or to use fintechs that help them to budget or save.

The cost to banks of implementing the rule was certainly significant, and the rule required that banks comply without charging their customers. The Kentucky court ruling is part of an ongoing battle as to who "owns" customer financial data in the U.S.

Improved Access to Banking Charters and Banking Services

In past years, obtaining a bank charter was almost impossible for a fintech, and many fintechs struggled when they lost their access to banking services due to so-called derisking. The new administration has demonstrated a more welcoming view toward fintechs and their access to banking.

In March, the OCC conditionally approved the application for fintech SmartBiz Loans to change the business model of CenTrust Bank NA, upon its acquisition of the national bank.[12]

In August, the White House executive order on fair banking access clarified that it was its policy to combat any restrictions or denials of banking services on the "basis of the customer's or potential customer's political or religious beliefs, or on the basis of the customer's or potential customer's lawful business activities that the financial service provider disagrees with or disfavors for political reasons."[13]

Clarification or Reduction in AML Obligations

The administration also reviewed and revised some of the more burdensome aspects of anti-money laundering, or AML, compliance.

In March, the Financial Crimes Enforcement Network issued an alert exempting any entities created in the U.S. from the Corporate Transparency Act's requirement to report beneficial ownership information.[14]

In July, federal banking regulatory agencies and FinCEN agreed to provide banks and credit unions the flexibility to obtain a tax identification number from a third party, rather than directly from the customer.[15]

Institutions taking advantage of this option must otherwise comply with the customer identification procedure requirements, including that the procedures be based on the institution's assessment of the relevant risks.

Also in July, federal banking regulatory agencies issued a statement highlighting potential risk management considerations related to crypto-asset safekeeping.[16]

And in October, FinCEN issued FAQs with clarifications on suspicious activity report, or SAR, reporting requirements.[17] This includes noting that financial institutions need not report continuing suspicious activity via a SAR filing every 90 days but may instead file SARs as appropriate in line with applicable timelines.

Those timelines generally require a SAR to be filed within 30 calendar days of the initial detection of facts that may trigger a SAR filing, which could be sooner than the 90-day standard for continuing activity.[18]

The SAR FAQs also clarified that there is no requirement or expectation under the Bank Secrecy Act or its implementing regulations for a financial institution to document its decision not to file a SAR.

Nevertheless, an institution might want to document any such decision so as to better demonstrate to its regulator or regulators that the institution considered all relevant facts.

Conclusion

Although there appears to be a more lenient and permissive attitude toward banks, fintechs and bank-fintech partnerships with the new administration, we would caution both banks and their fintech partners not to be complacent.

Much fundamental banking guidance, such as the interagency guidance on third-party relationships issued by the OCC in June 2023,[19] is still in full force and effect.

Banks and their fintech partners must understand the critical importance of due diligence, ongoing monitoring, AML compliance, consumer protection and clear contractual agreements.

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[1] https://www.klgates.com/The-Post-Chevron-Toolkit-11-12-2024.

[2] https://occ.gov/news-issuances/bulletins/2025/bulletin-2025-2.html.

[3] https://www.fdic.gov/news/financial-institution-letters/2025/fdic-clarifies-process-banks-engage-crypto-related.

[4] https://www.federalreserve.gov/newsevents/pressreleases/bcreg20250424a.htm.

[5] https://occ.gov/news-issuances/news-releases/2025/nr-occ-2025-42.html.

[6] https://www.federalreserve.gov/newsevents/pressreleases/bcreg20250714a.htm.

[7] https://www.congress.gov/bill/119th-congress/senate-bill/1582/text.

[8] We note, however, that various consumer groups have raised an alarm as to how this will actually impact consumers. See, e.g., The Trump Administration is Hurting Consumers' Wallets by Kneecapping the CFPB, at https://www.americanprogress.org/article/the-trump-administration-is-hurting-consumers-wallets-by-kneecapping-the-cfpb/.

[9] https://www.forbes.com/sites/jeffkauflin/2025/11/03/trumps-gutting-of-the-consumer-financial-protection-bureau-is-leaving-the-public-vulnerable-to-abuses/.

[10] https://www.federalregister.gov/documents/2025/10/29/2025-19689/registry-of-nonbank-covered-persons-subject-to-certain-agency-and-court-orders-rescission.

[11] https://www.pymnts.com/bank-regulation/2025/court-halts-cfpbs-open-banking-rule-as-banks-fintechs-await-rewrite/.

[12] https://occ.gov/news-issuances/news-releases/2025/nr-occ-2025-19.html.

[13] https://www.whitehouse.gov/presidential-actions/2025/08/guaranteeing-fair-banking-for-all-americans/.

[14] https://www.fincen.gov/news/news-releases/fincen-removes-beneficial-ownership-reporting-requirements-us-companies-and-us.

[15] https://www.fincen.gov/news/news-releases/fincen-permits-banks-use-alternative-collection-method-obtaining-tin-information.

[16] https://www.federalreserve.gov/newsevents/pressreleases/bcreg20250714a.htm.

[17] https://www.fincen.gov/system/files/2025-10/SAR-FAQs-October-2025.pdf.

[18] For more information on the SAR FAQs, see https://www.fintechlawblog.com/2025/10/10/new-fincen-faqs-clarify-certain-sar-filing-requirements/.

[19] https://www.federalregister.gov/documents/2023/06/09/2023-12340/interagency-guidance-on-third-party-relationships-risk-management.