

September 2025

A Capitol Idea: Join Us in D.C. in this October

*By Glen Simecek,
President and CEO,
Washington Bankers
Association*



"May you live in interesting times."

I was surprised to learn that most experts believe this phrase, typically described as an "ancient Chinese curse," actually originated in Great Britain in the mid-to-late 1800s. But whatever the expression's historic roots, there is no doubt that we are living in some very interesting times. More to the point, the epicenter for those interesting times is Washington, DC. While the regulatory tsunami we all feared appears to be receding, it is being replaced by uncertainty.

Changes resulting from digital assets, artificial intelligence, and nontraditional financial services providers have the potential to change our world dramatically. At the same time, we are challenged by novel financial frauds that jeopardize our clients' financial health, as well as changes to

consumer protections and international trade.

The federal government's response to stablecoins and cryptocurrencies has undergone significant changes over the past year. As a result, many banks are now busy determining whether – and, if so, how – these digital currencies should be incorporated into their investment and customer service strategies.

Consumers are also being inundated by a variety of financial services providers that can confuse them, leading to the assumption that they have the same protections as their banks offer – protections that are increasingly under threat from sophisticated scams and efforts to cap the fees that banks can charge to compensate for these risks and the systems it takes to offer such services.

Meanwhile, trade agreements and tariff strategies remain another contentious issue, and the ongoing unpredictability makes it virtually impossible for economists to accurately forecast future impacts on supply chains, consumer

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Issues & Answers September 2025

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Connect with the WBA online by following us on our social
media accounts.

On the Cover

A mountain lake shimmers in the Cascade Mountain along the
Chain Lake Trail in September, one of the few times of year the area
is accessible to hikers, after the snow has melted and before the new
snow falls.

Photo courtesy of Abby Erholm

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demand, and product pricing.

All of these questions have significant implications for another issue
that is always top of mind in D.C., interest rates. We've all read about
the ongoing tension between the Fed and the Trump administration.
In fact, we're living through history as we watch this never-before-seen
removal of a Federal Reserve Governor play out.

One thing that can be said with certainty is that issues like these make
our annual Pacific Northwest Capitol Hall Visit, scheduled for October
13-15, more important than ever. Registration is already open at <https://www.bankerscontent.com/dc>, and I hope you'll join the team.

We will once again be joining forces with our friends at the Idaho and
Oregon Bankers Associations on the visit, and this year it's WBA's turn
to take the lead on planning the agenda. We're incredibly excited about
how the schedule is shaping up, with a mix of full-group and state-spe-
cific activities.

Participants will be able to meet with members and staff from Wash-
ington's congressional delegation. In addition, the entire group will have
sessions with industry leaders from the American Bankers Association
and Independent Community Bankers Association, as well as with
representatives of key regulatory bodies, including the Federal Reserve,
Federal Deposit Insurance Corporation, Office of the Comptroller of
the Currency, the Department of the Treasury, and the Conference of
State Bank Supervisors (CSBS). The agenda includes visits with FDIC
Acting Chair Travis Hill and newly appointed OCC Comptroller
Jonathan Gould, whom we heard from at our Annual Convention this
summer.

We'll receive an economic briefing, along with updates on timely top-
ics such as fraud prevention and the efforts of the Treasury's Financial
Crimes Enforcement Network (FinCEN).

Of course, there will also be ample opportunities for networking with
peers from around the Pacific Northwest, both at meals and during a
visit to the fascinating International Spy Museum.

We're operating in a world where government policymaking, especial-
ly on the part of regulatory agencies, is growing ever more important in
dictating how banks operate and whether they succeed. Participating in
events like this is critical for building stronger relationships with elected
and appointed officials, which helps bankers navigate the landscape.
The visit is also a great development opportunity for talented younger
bankers looking to learn more about the industry. (On that last point,
we'll be returning to D.C. next spring for the ABA Summit in March,
which will include an entire day focused on Emerging Leaders – but
that's a conversation for another day.)

For now, I strongly encourage you to ensure that your bank is repre-
sented on this year's Capitol Hill Visit team. I know that everyone who
comes along will find the event interesting!

HAVE NEWS TO SHARE?

Email it to megan@wabankers.com to be
included in an upcoming *Issues & Answers*



Shaping the future of stablecoins



By Rob Nichols, President & CEO, American Bankers Association

Earlier this summer, President Trump signed into law the Genius Act, a long-awaited bill that will kickstart the development of a new regulatory

framework for stablecoins in the U.S.

Stablecoins like Tether, Circle and others currently have a market cap of about US \$275 billion—a relatively small fraction of the total money supply in the U.S. Nonetheless, interest in stablecoins has grown rapidly in recent months.

In simplest terms, stablecoins are digital assets that are designed to maintain a stable value over time, and that are pegged to a reference asset like the U.S. dollar on a one-to-one basis. They can function as both a store of value and a means of payment, and there are several potential use cases that are starting to emerge, from cross-border payments to integration into smart contracts.

ABA has been closely following the conversations around the future of stablecoins, and we were engaged on behalf of our members as lawmakers debated and refined the Genius Act prior to its passage. Our input, which included feedback from bankers and our state association alliance partners, helped shape a better legislative outcome for the banking industry, though as with most pieces of legislation there remain areas we'd like to see improved.

Among our top priorities was ensuring that banks are not disintermediated by stablecoins issuers incentivizing customers to hold their money in the form of stablecoins instead of bank deposits. We also advocated for a framework that would ensure that America's banks have the freedom to participate in the stablecoin ecosystem if they choose.

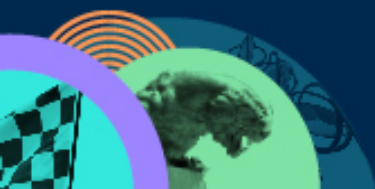
With the Genius Act now law, bank and credit

union subsidiaries, along with national trusts and nonbanks can apply to become stablecoin issuers, but lawmakers included a key exclusion for non-financial public companies to maintain an important firewall between banking and commerce—a principle ABA has long supported.

The law also includes several key prohibitions applied to payment stablecoin issuers that ABA supports, including those preventing pledging of stablecoin reserves; paying interest or yield to holders of payment stablecoins; and the misrepresentation of insured status of payment stablecoins, among other things. As I write this, we are actively engaged on the Hill trying to strengthen some of these provisions through separate but related digital asset legislation focused on market structure.

The Genius Act places rulemaking authority in the hands of the banking agencies, which means that banker engagement will continue to be critical in the months ahead as these rules are crafted, as more than a dozen rulemakings are expected related to this new law. ABA is continuing to engage through its Digital Assets Working Group—a banker driven advisory panel that convenes ABA members from across the country, led by our Office of Innovation. We have also made a comprehensive suite of resources—including a full summary of the Genius Act and associated rulemakings—available for our members at aba.com/stablecoin. More than 2,100 bankers participated in a recent ABA webinar on the topic.

As we work to shape the future of stablecoin regulation, ABA remains committed to helping banks responsibly meet customer demand for digital assets, including stablecoins and other cryptocurrencies, while mitigating the risks that these emerging products and technologies may pose to consumers and the broader financial system. Our goal will always be a fair and level playing field on which banks and other financial service providers can compete.



**ABA ANNUAL
CONVENTION**

**OCTOBER 19-21, 2025
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 American Bankers Association

REGISTER NOW

Join us in Charlotte at this year's ABA Convention:

www.aba.com/training-events/conferences/annual-convention

Showcase Your Community Impact with Bankers Care Licensing

Bankers Care is a community-focused initiative operated under the umbrella of the Washington Bankers Association. It was created to spotlight the philanthropic and educational outreach of community banks across Washington beyond traditional CRA obligations.

Crucially, Bankers Care licensing is completely free for any WBA member community bank. All eligible members can participate at no cost – empowering them to access and leverage the program's rich suite of marketing and consumer-oriented resources.

A Fresh New Look: The Recently Updated Bankers Care Website

Recently, WBA launched an enhanced and modernized Bankers Care website, now hosted via BankersContent.com. The revamped layout highlights core navigation areas, including:

- Nonprofit Partners
- Workforce Development
- Banking Partners
- Fraud Prevention Resources

The updated site also features the Bankers Care logo and visual identity prominently—creating a cleaner, more intuitive user experience for both member banks and the public.

Robust Resources Banks Can Use—for Marketing & Public Education

Through Bankers Care, community banks gain access to a wide range of customizable, high-value content and programs they can share with clients and the broader community:

1. *BankWork\$ Program*: A workforce development initiative that offers eight weeks of free, industry-specific training for low-income job seekers. Participating banks receive support in job placement and up to a year of mentoring for new hires.

2. *Financial Beginnings*: A recognized national financial education curriculum designed for underserved communities, covering savings, investing, compound interest, and insurance. Over the past decade, it has impacted 60,000+ youth and adults via schools and community groups statewide.

3. *Safe Banking for Seniors*: Offered through the American Bankers Association Foundation, this toolkit helps seniors learn how to recognize scams, protect against identity theft, plan for cognitive decline, choose or serve as financial caregivers, and more. Materials are flexible and available in various formats.

4. *Family Code Word Campaign*: Developed in partnership with the Kansas Bankers Association, this simple yet powerful campaign encourages families to establish a private code word

known only among themselves—protecting elders from phone scams. In one year, Americans lost \$9 billion to fraud, and this initiative helps banks promote proactive safeguards.

5. *Marketing & Public Awareness Assets*: The updated Bankers Care site includes downloadable logos, flyers, partner lists, and other branding materials that banks can customize for use on websites, social media, branch displays, and community outreach campaigns

Why It Matters

- **Zero Cost, High Impact**: Bankers Care licensing is free for WBA community bank members—opening the door to rich, ready-made resources without budget strain.
- **Elevates Local Engagement**: Through programs like BankWork\$, Financial Beginnings, and Safe Banking for Seniors, banks demonstrate community leadership and trustworthiness.
- **Empowers Consumers**: With fraud prevention tools and financial education, members can better serve diverse customer groups—from job seekers to older people.
- **Boosts Visibility**: The updated website and marketing assets enable banks to communicate their civic contributions and brand values more effectively.

Current Banking Partners

These community institutions have stepped up to become designated Bankers Care Banks, demonstrating a proactive commitment to their communities. Partnerships encompass support for local nonprofits, volunteer efforts, affordable housing, small business aide, youth development, and financial



If you would like to learn more about Bankers Care or how to get involved, please reach out to WBA COO, Duncan Taylor at Duncan@wabankers.com.

Events Calendar

Oct. 9 – Retail Branch Manager Development Program

Oct. 7-9 – Bank Trainers Conference, FL

Oct. 13-15 – PNW Capitol Hill Visit, D.C.

Jan 7-9 – CBA Bank President's Seminar, CA

Jan. 8 – Understanding Bank Performance

Jan. 12 – 2026 Executive Development Program

Feb. 15-17 – ABA Conference for Community Bankers

March 9-11 – ABA Washington Summit, D.C.

April 2 – Understanding Bank Performance

April – Management Development Program

To register or to learn more about any of the listed events, please visit www.wabankers.com/calendar.



BANKER EDUCATION

Budgeting Reminder

Getting ready for budgeting season? Be sure to include these 2026 WBA programs in your plans for next year!

All programs listed are virtual unless otherwise noted. Full program details, including pricing, are available online at wabankers.com/calendar.

January 8 – Understanding Bank Performance

January 12 – Executive Development Program, Seattle

January 7-9 – CBA Bank President's Seminar, Laguna Beach, CA

March 12 – Credit Analyst Development Program

April 2 – Understanding Bank Performance

April – Engage Conference

April – Management Development Program

May – PNW Agricultural Bankers Conference, ID

June 29 – July 1 – Annual Convention, Sunriver, OR

July 9 – Understanding Bank Performance

August – KBA Fraud Academy, Lexington, KY

August 20 – Credit Lending Development Program

September 17 – Credit Analyst Development Program

Late September – AI Native & Fintech Conference, Utah

October 1 – Understanding Bank Performance

September – Credit, Lending & Compliance Conference

October – Retail Branch Manager Development Program

Fake Check Scams On the Rise Once Again

Fake checks continue to be one of the most common instruments used to commit fraud against consumers.

Thanks to the American Bankers Association, here are some tips to share with consumers about ways to keep checks safe.

Before you deposit a check you weren't expecting or wire funds to an unknown recipient, here is what you should know.

How do Fake Check Scams Work?

There are many variations of the scam. It usually starts with someone offering to:

- Buy something you advertised for sale
- Pay you to work at home
- Give you an "advance" on a sweepstakes or you've won
- Give you the first installment on the millions you'll receive for agreeing to transfer money in a foreign country to your bank account for safe-keeping

Fraudsters issue you a check or money order worth more than the amount owed to you and instruct you to wire the excess funds back to them before receiving your lump sum payment. After you've sent the money, you find out that the check or money order is bogus.

Tips to prevent fake check scams:

- Even if the check has "cleared," you may not be in the clear. Under federal law, banks must make deposited funds available quickly, but just because you can withdraw the money doesn't mean the check is good, even if it's a cashier's check or money order. If you have any questions about whether or not the check is good, talk to your banker. Be sure to explain the source of the check, the reasons it was sent to you, and whether you are being asked to wire money back.
- Don't be fooled by the appearance of the check. Scam artists are using sophisticated technology to create counterfeit checks that mirror the appearance of legitimate checks. Some are counterfeit money orders, some are phony cashier's checks and others look like they are from legitimate business accounts. The companies whose names appear may be real, but someone has dummied up the checks without their knowledge.
- Never 'pay to play.' There is no legitimate reason for someone who is giving you money to ask you to wire money back or send you more than the exact amount — that's a red flag that it's a scam. If

a stranger wants to pay you for something, insist on a cashier's check for the exact amount, preferably from a local bank or one with a local branch.

- Do not respond to online solicitations for "easy money." Social media scams like card cracking may offer "quick ways to earn extra cash," but keep in mind that easy money is rarely legal money.
- Verify the requestor before you wire or issue a check. It is important to know who you are sending money to before you send it. Just because someone contacted you doesn't mean they are a trusted source.
- Report any suspected fraud to your bank immediately. Bank staff are experts in spotting fraudulent checks. If you think someone is trying to pull a fake check scam, don't deposit it—report it. Contact your bank and report it to the Federal Trade Commission or The Better Business Bureau's Scam Tracker.

The ABA has a variety of consumer information available online at www.aba.com/advocacy/community-programs/consumer-resources.





KeyBank Donates to Business Impact Northwest

As part of KeyBank's bicentennial celebration this summer, the bank announced a \$200,000 foundation grant to Business Impact Northwest.

The program is designed to strengthen Community Development Financial Institutions and foundations, which play a crucial role in fostering economic opportunity and enhancing community resilience.

KeyCorp Chairman and CEO Chris Gorman and KeyBank teammates were on hand to celebrate the occasion.

Business Impact Northwest serves underbanked entrepreneurs, providing coaching, classes, and access to capital for small businesses. The grant will support the Technical Assistance for Underserved Entrepreneurs Across the Pacific Northwest program.

"KeyBank is committed to helping our community thrive through investments that promote neighbors, education, and the workforce," said Brian Marlow, Washington Market President, KeyBank. "We are not only here to serve our clients, but to invest in neighborhoods where we live and work, providing opportunities and making a difference in people's lives."

U.S. Bank Participates in GSBA Event

The U.S. Bank Seattle team participated in a GSBA event this summer, showcasing the bank's merchant services with live demos.

The event provided bankers with an opportunity to connect with local business owners and individuals in



downtown Seattle during the summer.

"It was one of those perfect Seattle summer evenings," said Tiffany Flitchmann, U.S. Bank business access advisor. "We had the chance to connect with so many incredible business owners, hear their stories, and share how we can support their growth. The energy was vibrant, the conversations were meaningful, and the community spirit was strong."



1st Security Bank of Washington Opens New Crossroads Location

1st Security Bank of Washington opened its newest branch in the Crossroads neighborhood in Bellevue.

To celebrate the new branch, the bankers partnered with The Salvation Army for the annual Stuff the Bus campaign, collecting school supplies for local students.



Washington Trust Bank Participates in Pierce County Kite Festival

The South Sound Washington Trust Bank team recently participated in the Pierce County Parks and Recreation Kite Festival at Chamber Bay Regional Park.

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Industry News

New Hires

Kimberly Dunbar
Financial Advisor at Peoples Bank

Stephanie Conway
Vice President, Community Business Banking Officer at 1st Security Bank of Washington

Kelly Vuong
Senior Commercial Relationship Manager at Banner Bank

Phuong Au
Vice President and Team Leader at Washington Trust Bank

Promotions

Julie Ponder
Assistant Vice President and Talent Acquisition Business Partner at Heritage Bank

May-Ling Sowell
Senior Vice President and Chief Compliance Officer at 1st Security Bank of Washington

Board of Directors

Millicent Tracey
Banner Bank

Have Industry News to share with WBA? Email megan@wabankers.com or call (206) 344-3472.

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The event included live music, food trucks, and a weekend of tons of great kites filling the skies.

WaFd Bank Donates to Auburn Food Bank

The WaFd Bank Auburn branch hosted a food drive throughout July, collecting items and donations for the Auburn Food Bank to use heading into fall.

The branch was able to donate a total of 428 pounds of food, basic household items, and hygiene items.

That included 355.8 pounds of food, 13.8 pounds of household items, and 58.4 pounds of hygiene items.

The branch said its goal was to collect 500 pounds in total, setting up a new challenge for next year.



purchase awards, ribbons, and trophies, given to various award winners, such as the Grand and Reserve Grand premium award winners, and during the exhibitors' fund night celebration.

The bank was also able to support all of the 4-H and FFA exhibitors, who are local students in elementary through high school.



Olympia Federal Savings Hosts Real Estate Appreciation Event

Olympia Federal Savings recently hosted an OlyFed Real Estate Appreciation Event at Hangar 51.

The event featured great food and invited friends who have worked with the bank, whether as realtors or customers.



Commencement Bank Supports Tacoma Athletic Commission's Golf Classic

Commencement Bank participated in the annual Tacoma Athletic Commission Doug McArthur Golf Classic held in August.

The golf team was out on the greens, playing for prizes and helping to raise funds for the organization, which is dedicated to amateur sports and civic betterment in Pierce County.



Cashmere Valley Bank Sponsors West Valley Fair

The Cashmere Valley Bank Yakima and Union Gap branches were gold sponsors of the West Valley Fair this summer.

Through the bank's participation, the funds were used to

State Bank Northwest Celebrates Summer at Spokane Indians

The State Bank Northwest team celebrated summer in style this year with a team outing to the Spokane Indians at Avista Stadium.

The group enjoyed the perfect summer evening watching America's game.



Riverview Bank Presents Pat Sheaffer/Riverview Bank Scholarship

In August, Riverview Bank presented the Pat Scheaffer/Riverview Bank Scholarship to Naomi Wainwright, the first recipient of the scholarship, which is associated with the Clark County Fair.

Wainwright was selected because of her leadership skills, and

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plans to study at Oregon State University to earn a business degree.



Liberty Bank Sponsors Vibe Coworks White Tie Picnic

Liberty Bank sponsored the main stage at the Vibe Coworks White Tie Picnic this summer.

The event brought together the Kitsap community to celebrate International Coworking Day, featuring music, food, games, and meaningful connections.



1st Security Bank of Washington Volunteers with North Beach PAWS

1st Security Bank of Washington volunteered with North Beach PAWS this summer, providing a hot dog feast for volunteers helping take care of animals at the organization.

The team worked to provide and prepare the food, and later said they were surprised to hear how much a simple lunch meant to the volunteers at the organization.



Wheatland Bank Announced Partnership with Odessa Community Fund

Wheatland Bank announced this summer a new partnership with the Odessa Community Fund, a new non-profit organization.

The partnership announcement also included a donation of \$2,500 from the bank.

The Odessa Community Fund was created to help support special projects in the town of Odessa that will positively impact the community's well-being and development.



Peoples Bank Volunteers at Fairhaven Outdoor Movie Night

Peoples Bank recently sent volunteers to the Fairhaven Outdoor Movie Night, which featured Star Wars: The Force Awakens.

The bankers provided attendees with light sabers as part of a giveaway for the event, providing plenty of fun before the sky was dark enough for the movie to start.



Bank of America Supports Lighthouse for the Blind

Bank of America recently supported The Lighthouse for the Blind at its Summer Garden Party, where the organization celebrates its work by empowering individuals who are blind, deaf-blind, and blind with other disabilities.

The evening was a fantastic reminder to the bankers and attendees about the strength of inclusivity, accessibility, and opportunity.



Baker Boyer Bank Donates to United Way

Baker Boyer Bank recently donated to United Way in support of Dolly Parton's Imagination Library.

The program provides free books to children from birth to age five by simply signing up. The initiative helps spark curiosity, build literacy skills,

and inspire a lifelong love of reading.

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Kitsap Bank Hosts Inaugural CauseGood Day of Service

In mid-August, Kitsap Bank closed all its branches early for an afternoon to host its first-ever CauseGood Day of Service.

Over 225 employees volunteered their time to support 25 nonprofit organizations across Kitsap, Pierce, Clallam, Jefferson, Mason, and King counties.

The groups worked on a variety of projects, including environmental cleanups, packing and organizing backpacks for food banks, teaching financial education classes to children, and assisting local communities where they are based.



Riverview Bank Participates in National Night Out

Riverview Bank participated in the National Night Out event in Stevenson by hosting a booth.

The booth shared information with neighbors about financial services and helped to build a positive relationship with community members.

State Bank Northwest Supports This Little Light of Mine

State Bank Northwest supported This Little Light of Mine this summer as a main sponsor.

The Christian-centered musical theater camp is dedicated to helping youth with special needs. The bank said it was a joy to see the campers sing, act, and play during the camp.



Olympia Federal Savings Earns Best Banking Services Award

Olympia Federal Savings earned the best banking services award by Showcase Magazine.

Members of the community nominated the bank and recently attended the magazine's celebration with the rest of the winners from other categories.

Peoples Bank Participates in the Northwest Washington Fair

Bankers from Peoples Bank participated in the Northwest Washington Fair in early August.

The group of volunteers had a prize wheel spinning in the booth, giving away light sabers, rubber ducks, and many more prizes to lucky winners.



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Washington Trust Bank Gives Away Coffee Cards

The Washington Trust Bank North Wenatchee recently visited Café Columbia, a local favorite coffee shop, to purchase coffee gift cards for a giveaway.

The surprise visit was an excellent boost for the shop and for those who later received the cards randomly.



First Interstate Bank Donates to Wellspring Family Services

First Interstate Bank announced earlier this summer a \$25,000 donation to Wellspring Family Services in Seattle, as part of the bank's Believe in Local grant program.

Wellspring is a lifeline for families facing homelessness, offering care and critical resources to help parents and children find stability and hope.

The Believe in Local program provides \$1 million in funding to 40 nonprofits across the bank's 14-state footprint each year.



Sound Community Bank Leader Named Most Admired CEO

Sound Community Bank's President and CEO, Laurie Stewart, was recently named one of the Puget Sound Business Journal's Most Admired CEOs.

"It's an immense honor to be recognized among such a dis-

tinguished group of leaders in our community," said the bank. "This award is a true testament to Laurie's visionary leadership and the positive impact she has on our team every day."

The bank attended the PSBJ's award ceremony to celebrate the occasion.



Peoples Bank Attends WCAR Golf Tournament

Peoples Bank recently sponsored a hole at the annual Washington County Association of Realtors Golf Tournament this summer.

The annual event raises money for local nonprofits through the Realtors Association, which brings together a wide variety of partners, including many from the financial services industry.

Olympia Federal Savings Donates to St. Martin's University

Olympia Federal Savings used the proceeds from the Two Cents Program in July to donate to St. Martin's University.

The program, which donates two cents from every debit card transaction, generated \$3,040 in July to support the university.



WaFd Bank Celebrates New Northgate Branch Opening

WaFd Bank celebrated its newest branch opening in August in Northgate.

The celebration included visits from the Seattle Kraken mascot Buoy, who stopped by from the nearby Kraken practice facility, as well as Harry the Husky, the mascot from the University of Washington.



First Fed Bank Sponsors Kulshan Community Land Trust Growing Together Fundraiser

First Fed Bank sponsored the Kulshan Community Land Trust's Annual Growing Together 2025

Fundraiser.

The event enables the organization to support more home-

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owners directly, and bank volunteers were on hand to assist with setup.

The organization provides permanently affordable properties in Whatcom County, allowing low-income borrowers to become homeowners.



Washington Trust Bank Sponsors Communities in Schools Fundraiser

Washington Trust Bank recently sponsored the Communities in Schools of Northeast Washington's 4th Annual Champagne and Croquet Tournament.

The organization is dedicated to empowering students to stay in school by providing a supportive environment and helping students build strength and overcome obstacles. It also offers one-on-one support or school-wide education opportunities, depending on the school's needs.

First Fed Bank Donates to Peninsula College

First Fed Bank announced this summer that Peninsula College earned a \$50,000 grant from the First Fed Foundation.

The grant will help support the construction of instructional and clinical space for the school's future dental hygiene program. Pending the accreditation in spring 2026, the school plans to launch an associate's degree program in the fall, which would help fill a critical workforce need in the area.



Wheatland Bank Supports Ritzville Music Festival

Volunteers from Wheatland Bank recently spent time enjoying the annual Ritzville Music Festival.

The event features live music from local artists, as well as local food.



Olympia Federal Savings Participates in Saints Golf Classic

Olympia Federal Savings recently participated in the Saints Golf Classic tournament.

The event is for the Saint Martin's University Athletics programs, helping to raise funds to support the various programs at the school.

The bank was a gold sponsor.



KeyBank Hosts Key4Women and SBA Event on Seattle's Tall Ship

This summer, KeyBank's Key4Women group hosted a special event along with their SBA teammates on the Seattle Tall Ship.

The event, which was part networking and part celebration of the summer, brought together two teams that often work together, as well as individuals who may not know each other at all.



WaFd Banker Participates in Obliteride

Members of the WaFd Bank team recently participated in the Fred Hutch Obliteride event, which raises funds and awareness for cancer research.

The bank is a major supporter of the event and encourages bankers to participate not only in volunteering but also in causes that they believe in.

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Washington Trust Bank Sponsors Boys & Girls Club of Snohomish County Golf Tournament

Washington Trust Bank participated in the Boys & Girls Club of Snohomish County's first annual Lake Chelan Valley Golf Tournament.

The event helps the organization continue its mission, and the bank, a sponsor, attended the event.



Yakima Federal Savings Sponsors Family Stage at Moxee Hopfest

Yakima Federal Savings and Loan was the sponsor of the family stage at this year's Moxee Hopfest.

Penny Piggybank, the bank's mascot, was also featured in the annual parade, which is held during the event.



KeyBank Donates to Tacoma-Pierce County Habitat For Humanity

KeyBank announced in mid-August a \$300,000 donation from its foundation to the Tacoma-Pierce County Habitat for Humanity.

The grant from the KeyBank Foundation will support the organization's Housing Counseling program and Building Hope project, both of which are designed to improve financial stability and homeownership among underserved communities.

Through the Housing Counseling program, HUD-certified housing counselors work one-on-one to help clients learn skills

to prepare them for financial stability, including homeownership.

The Building Hope project enables the organization to purchase up to 80 single-family rental homes being divested by the Pierce County Housing Authority, which will then be sold under a restricted-resale model, making them permanently affordable.

"At KeyBank, our mission is to help our communities thrive, and that means addressing gaps that might prevent our neighbors from building wealth through home ownership," said Brian Marlow, KeyBank's Washington State Market president. "Having stable housing is transformational for generations to come, and we have long been impressed with Habitat for Humanity's impressive model and proven success."

"This program helps vulnerable homebuyers achieve the self-confidence and financial knowledge needed to purchase an affordable family home," said I.V. Reeves, Regional Corporate Responsibility Officer. "KeyBank is proud to support the efforts of Habitat for Humanity."

Yakima Federal Savings Sponsors Grandview Summer Basketball Tournament

Yakima Federal Savings and Loan recently sponsored the Grandview Summer Heat 3-on-3 Basketball Tournament in mid-August.

The event supports the Main Street Grandview Association, which helps local businesses in Grandview.



1st Security Bank of Washington Donates to Center Valley Animal Rescue

1st Security Bank of Washington's Port Townsend branch recently used its paid parking lot proceeds to donate to the Center Valley Animal Rescue.

The bank donated \$2,400 to the organization in late August.

Each quarter, the branch uses the proceeds from the lot to donate to a local nonprofit organization in the community. This quarter, they chose the rescue, which provides services and care for animals in need.

Olympia Federal Savings Donates to Family Support Center of South Sound

Olympia Federal Savings donated its August Two-Cent program proceeds to the Family Support Center of South Sound.

The donations total \$3,065, which will help the organization support its mission of working with families throughout the South Sound.

Have WBA community news to share? Email it to megan@wabankers.com. Submission are run on space availalbe basis.

The State of Ransomware in 2025

Written by Sally Adam, VP, Solution Marketing, Sophos

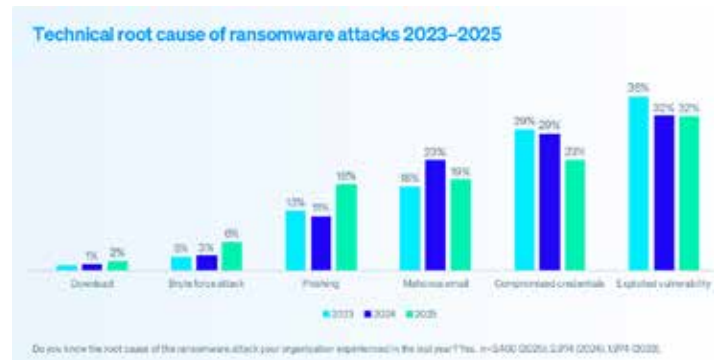
The sixth annual Sophos State of Ransomware report provides fresh insights into the factors that led organizations to fall victim to ransomware and the human and business impacts of an attack.

Based on insights from a vendor-agnostic survey of 3,400 IT and cybersecurity leaders across 17 countries whose organizations were hit by ransomware in the last year, the report combines year-on-year insights with brand new areas of study, including why ransom payments rarely match the initial demand, and the downstream impact of ransomware incidents on in-house teams.

Why organizations fall victim to ransomware

It is rarely a single issue that leaves organizations exposed to ransomware; rather a combination of technological and operational factors contributes to organizations falling victim to attack.

- 1. Technical root causes:** For the third year running, victims identified exploited vulnerabilities as the most common root cause of ransomware incidents, used to penetrate organizations in 32% of attacks overall. This finding highlights the importance of identifying and patching security gaps before adversaries can take advantage of them. Compromised credentials remain the second most common perceived attack vector, although the percentage of attacks that used this approach dropped from 29% in 2024 to 23% in 2025. Email remains a major vector of attack, whether through malicious emails (19%) or phishing (18%).
- 2. Operational root causes:** For the first time, this year's report explores the organizational factors that left companies exposed to attacks. The findings reveal that victims are typically facing multiple operational challenges, with respondents citing 2.7 factors, on average, that contributed to them being hit by ransomware. Overall, there is no single stand-out source, with the operational causes very evenly split across protection issues, resourcing issues, and security gaps.
- 3. Recovery of encrypted data:** The good news is that 97% of organizations that had data encrypted were able to recover it. Less encouraging is that data recovery through backups is at its lowest rate in six years. Just under half



(49%) paid the ransom and got their data back. While this represents a small reduction from last year's 56%, it remains the second highest rate of ransom payments in the last six years.

Ransoms: Demands and payments

There is good news on this front: both initial ransom demands and actual ransom payments dropped over the last year – largely driven by a reduction in the percentage of demands/payments of \$5 million or more. While encouraging, it's important to keep in mind that 57% of ransom demands and 52% of payments were for \$1 million or more. There were 826 organizations that paid the ransom shared both the initial demand and their actual payment, revealing that they paid, on average, 85% of the initial ransom demand. Overall, 53% paid less than the initial ask, 18% paid more, and 29% matched the initial demand.

The business and human consequences of ransomware

The data reveals that organizations are getting better at responding to attacks, reporting lower costs and faster recovery.

The average (mean) cost to recover from a ransomware attack (excluding any ransom payment) dropped by 44% over the last year, coming in at \$1.53 million, down from \$2.73 million in 2024. At the same time, over half of victims (53%) were recovered within a week, a significant jump from the 35% reported in 2024.

Having data encrypted in a ransomware attack has significant repercussions for the IT/cybersecurity team, with all respondents saying their team has been impacted in some way.

You can read more online at: news.sophos.com/en-us/2025/06/24/the-state-of-ransomware-2025/.

What is Stablecoin: Risks & Opportunities for FI

By Terri Luttrell, CAMS-Audit, Abrigo

Stablecoin has emerged as a key focus in the digital asset space, offering a less volatile alternative to traditional cryptocurrencies. The stablecoin market grew to approximately \$159 billion in 2024 and has surged to more than \$255 billion this year. With U.S. lawmakers signaling support and growing adoption across both consumer and institutional channels, now is the time for financial institutions to assess how stablecoins could impact their digital payment strategies.

Understanding stablecoins and their purpose

A stablecoin is a digital asset designed to maintain a consistent value, typically by tying its price to a fiat currency such as the U.S. dollar. Stablecoin's steady value makes it a more practical option for everyday transactions than other cryptocurrencies, which are known for volatility. It combines the efficiency of blockchain technology, such as rapid settlement and lower transaction costs, with the financial stability that businesses and consumers expect from a medium of exchange.

In a historic move, the Senate Banking Committee recently passed a bipartisan stablecoin bill, known as the GENIUS Act. If signed into law, this act would set guidelines for stablecoin issuers and could make stablecoins common for digital payments and investments. The legislation introduces a plan for regulating stablecoin use, requiring 1:1 backing in cash or U.S. Treasuries and giving the Federal Reserve supervisory authority over large issuers. State regulators would oversee smaller issuers, preserving their role in overseeing regional financial institutions. This legislation is the most concrete sign yet that policymakers are preparing to bring stablecoins into mainstream payments, and compliance expectations are quickly materializing.

Stablecoin has the ability to offer faster settlement, greater accessibility, and new customer engagement opportunities. Examples include cross-border transfers, payroll, merchant payments, and decentralized (DeFi) platforms. With acceptance on the rise, financial institutions should understand how these products may intersect with their operations and risks, particularly in payments and compliance.

FinCEN guidance: Stablecoin falls under AML/CFT oversight

The Financial Crimes Enforcement Network (FinCEN) considers stablecoin a type of convertible virtual currency (CVC). As such, any financial institution facilitating stablecoin transactions must comply with Bank Secrecy Act (BSA) requirements



and implement anti-money laundering/countering the financing of terrorism (AML/CFT) measures. This includes customer due diligence, suspicious activity reporting, and transaction monitoring.

In its guidance, FinCEN has warned that digital assets, stable or not, can still be exploited for money laundering, sanctions evasion, and fraud. Financial institutions must be prepared to identify and mitigate these risks, particularly as digital payment methods become more integrated with traditional banking.

Key risks financial institutions should consider

As stablecoins move closer to mainstream use, they bring new risks that banks and credit unions must be ready to manage:

1. **Liquidity pressure during high redemptions:** Even stablecoins that are fully backed by reserves can face problems if customers lose confidence and try to cash out all at once. This kind of “run” can create short-term cash flow challenges for institutions holding or processing these assets.
2. **Risk tied to third-party partners:** Working with outside stablecoin issuers or fintech providers means relying on their financial health and operational practices. Institutions should carefully vet these partners and have clear agreements in place about who is responsible for safeguarding assets, processing redemptions, and managing risks.
3. **Compliance uncertainty and reputation concerns:** The rules around stablecoins are still developing. Moving too fast, or not fast enough, can put a financial institution at risk. Engaging in stablecoin activities without a strong compliance program could lead to regulatory issues or damage customer trust.
4. **Challenges detecting financial crime:** Some

stablecoin transactions are harder to trace than traditional payments. Without the right tools and processes, institutions might miss signs of suspicious activity. To stay compliant, AML and fraud monitoring programs should be able to track and evaluate blockchain-based transactions effectively.

Stablecoin carries many of the same risks as other financial instruments, plus some new ones. From AML/CFT compliance to liquidity planning, community financial institutions must treat stablecoin not just as a trend, but as a potential risk area that should be analyzed and managed.

What financial institutions should do now

Financial institutions have an opportunity to proactively position themselves as innovators and trusted providers of secure digital services. Whether or not your institution is engaging directly with stablecoin, these actions will help strengthen your position:

1. Reassess your AML/CFT program: Ensure your risk assessment and AML/CFT compliance program can monitor for stablecoin risks, including identifying typologies related to stablecoin transactions.
2. Monitor federal and state developments: Stay informed on legislative updates, particularly as the Senate bill advances. Look for guidance from FinCEN, the OCC, the NCUA, and the Federal Reserve on expectations for banks and credit unions.
3. Engage internal stakeholders: Involve compli-

ance, risk management, IT, and product development teams early. The more coordinated your approach, the better equipped you'll be to assess opportunities and risks.

4. Build fintech risk assessment processes: If partnering with a fintech or stablecoin issuer, apply enhanced due diligence measures and ensure service-level agreements clearly define responsibilities around compliance, custody, and data security.
5. Educate your customers and your board: Help board members, executives, and customers understand how stablecoins work and the steps your institution is taking to protect their funds and data.

Looking ahead: Stability through preparation

Stablecoins have the potential to change how money moves, but they also bring new responsibilities for financial institutions. While this form of digital asset offers faster and more efficient payments, it also raises questions about oversight, risk, and readiness. With regulators beginning to set clearer expectations, now is the right time to get ahead of the curve. Banks and credit unions have succeeded by earning trust and adapting early, and preparing for stablecoin activity is a natural extension of that strength.

Terri Luttrell is a seasoned AML professional and former director and AML/OFAC officer with over 20 years in the banking industry, working both in medium and large community and commercial banks ranging from \$2 billion to \$330 billion in asset size.



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