

## Regulatory Compliance News



**MOUNTAIN WEST**  
Credit Union Association

January 19, 2018

### Compliance News

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**Q&A: Do we need to provide the required ATM fee notice on the screen and on the ATM or is it allowed to be just on the ATM screen itself to serve as the fee notice instead of also having to have a separate disclosure on the ATM?**

The notice can be provided either by showing it on the screen of the ATM machine or by providing it on paper, before the consumer is committed to paying the fee. This is addressed in Regulation E § 1005.16 (c) shown below:

§ 1005.16 Disclosures at automated teller machines.

- **(a)** Definition. "Automated teller machine operator" means any person that operates an automated teller machine at which a consumer initiates an electronic fund transfer or a balance inquiry and that does not hold the account to or from which the transfer is made, or about which an inquiry is made.
- **(b)** General. An automated teller machine operator that imposes a fee on a consumer for initiating an electronic fund transfer or a balance inquiry must provide a notice that a fee will be imposed for providing electronic fund transfer services or a balance inquiry that discloses the amount of the fee.
- **(c)** Notice requirement. An automated teller machine operator must provide the notice required by paragraph (b) of this section either by showing it on the screen of the automated teller machine or by providing it on paper, before the consumer is committed to paying a fee.
- **(d)** Imposition of fee. An automated teller machine operator may impose a fee on a consumer for initiating an electronic fund transfer or a balance inquiry only if:
  - **(1)** The consumer is provided the notice required under paragraph (c) of this section, and
  - **(2)** The consumer elects to continue the transaction or inquiry after receiving such notice.

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### InCompliance Implementation Materials

The Association's InCompliance Materials are provided to help your credit union meet the challenges of implementing new and changing regulations. InCompliance publications provide you with a brief summary of the rule to quickly assess its impact, a detailed analysis for compliance staff charged with implementation, sample policies, implementation checklists and, as appropriate, sample forms. In addition, these materials are updated with Q&As (InResponse), and other materials such as charts and matrices as questions are raised and issues are identified.

Visit [mwcu.com](http://mwcu.com) to register

### Association Compliance Forums

Click on one of the below links to subscribe

[Compliance Forum](#)

[BSA Compliance Officer Forum](#)

Please provide the subscriber's name, credit union, title

## NCUA Adjusted Civil Monetary Penalty

Effective January 15, 2018, the NCUA Board (Board) is amending its regulations to adjust the maximum amount of each civil monetary penalty (CMP) within its jurisdiction to account for inflation. This action, including the amount of the adjustments, is required under the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996 and the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015. [Click here to view the updated chart](#)

Source: NCUA

## New Withholding Tables Issued by IRS

The [Department of the Treasury has announced](#) that the IRS has sent [new tax withholding guidance](#) to employers to implement tax cuts and other provisions of the Tax Cuts and Jobs Act. Treasury encouraged employers to start using the new withholding tables as soon as possible, but no later than February 15, 2018. The IRS intends to release a new withholding calculator by the end of February, for employees to use to update their withholding information as needed. The IRS said the tables are designed to produce the correct amount of tax withholding, and to avoid over- and under-withholding of tax as much as possible.

Source: Department of Treasury

## Advocacy Highlight

### CUNA Launches ADA Website Accessibility Advocacy Page

As CUNA continues to push for solutions to credit unions facing legal threats on website accessibility under the Americans With Disabilities Act, it has launched an [advocacy page](#) outlining the current situation and steps CUNA is taking. On the page, you will find links to both Advocacy and Compliance resources on the ADA web accessibility issue, including:

- CUNA's Removing Barriers Blog posts
- CUNA's CompBlog posts

A link to CUNA's ADA e-Guide topic – be sure to check out the [new frequently asked questions](#) (PDF download) under "CUNA Tools & Training"

CUNA contact information for questions on the issue

Source CUNA Advocacy

## CUNA Advocacy Update

The CUNA Advocacy Update is published at the beginning of every week and keeps you on top of the most important changes in Washington for credit unions and what CUNA is doing to monitor, analyze and influence government agencies and federal law. To receive this update, click on "Get CUNA Updates" on the [CUNA Advocacy Page](#). Additional Advocacy efforts may also be found under [CUNA's Removing Barriers blog](#). With the recent updates to CUNA's website, Advocacy information has also changed. To view recent advocacy issues and see ways your credit union can become involved, visit the [Priorities](#) or [Actions](#) pages.

and email address. The subscriber will receive a welcome e-mail that details how to access the forum.



### Put a CCRS at Your Fingertips!

Easily apply [Consumer Compliance Rating System](#) (CCRS) expectations with AffirmX. CCRS is a supervisory policy for evaluating a financial institution's adherence to consumer compliance requirements. By adding AffirmX to your team of experts, a credit union can meet examiner expectations to proactively prevent, self-identify, and correct compliance issues. AffirmX is the leading cloud-based compliance solution that delivers a near-real time risk-based dashboard of your compliance operations. AffirmX provides document review for all areas of regulatory compliance, including ACH, Advertising, BSA, Deposits, Loans, and Operations, as well as helps you create and manage your Cybersecurity Risk Assessment.

For more information about our compliance services, please contact Melia Heimbeck at: [mheimbeck@mwcu.com](mailto:mheimbeck@mwcu.com) or (720) 479-3325 or 1 (800) 477-1697 ext. 3325



### Record Retention

The purpose of record retention requirements and a record retention program is to provide a comprehensive and cost-effective way to promote effective member service by providing credit unions access to important member information. It also provides credit unions and their members protection in the event of damage or disaster, and ensures compliance with claims, litigation and/or IRS demands.

State laws provide procedural guidelines, and federal laws mandate record retention time periods. Although neither the National Credit Union Administration (NCUA) nor the [State Authority for state chartered CUs] regulate record retention, both outline provisions related to the practice of retaining records.

### What are the NCUA Record Retention Requirements?

Part 749 of the NCUA Rules and Regulations requires all federally insured credit unions to maintain a records preservation program to identify, store and be able to reconstruct vital records in the event that the credit union's records are damaged or destroyed and includes recommendations for restoring vital member services. The regulation provides flexibility as far as the format credit unions may use for maintaining writings, records or



# MOUNTAIN WEST Credit Union Association

## Training & Events Calendar

### 2018 Webinars

**IMPORTANT NOTE:** For the past ten years we have partnered with the Credit Union Webinar Network to provide timely, relevant webinars. We are excited to announce an expansion of our partnership! Beginning in 2018, they will also assist us in marketing and managing these webinars. Click on the link above for a full list of webinar offerings and for more detailed information.

#### **January 24**

Webinar: [Preparing for a Military Lending Act Audit](#)

#### **January 30**

Webinar: [Compliance Series: Job-Specific Compliance Training for the Frontline](#)

#### **February 6**

Webinar: [Fair Lending Challenges for HMDA Data Rule Changes: Expanded Data Fields & Lending Practices](#)

#### **February 8**

Webinar: [Simplifying the Compliance Function: Tools & Checklists to Keep You on Track](#)

#### **February 14**

Webinar: [Preparing for the New Mortgage Servicing Rules: Final Implementation Date, April 19, 2018](#)

#### **March 8**

Webinar: [Revisiting CDD Policies & Procedures to Include Beneficial Ownership Rule Changes Effective May 11, 2018](#)

#### **March 15**

Webinar: [Flood Insurance Compliance Review & Update 2018](#)

#### **March 21**

Webinar: [Compliance & Legal Risks in Mobile Banking: Rules & Security Requirements](#)

#### **March 22**

Webinar: [Completing the CTR Line-by-Line Effective May 28, 2018: Technical Changes, New Data Fields & Alternate Model Reporting](#)

#### **March 28**

Webinar: [Collections & The Servicemember: From the MLA to SCRA](#)

*\*For 2018 webinar questions, please contact [MWCUA@cuwebtraining.com](mailto:MWCUA@cuwebtraining.com).*

**2018 Compliance Lunch & Learn Sessions Begin in  
February**

information required by other NCUA regulations. Part 749 also provides an appendix, which provides guidance on the appropriate length of time credit unions should retain various types of operational records. For further details on NCUA record retention guidance, please see the Detailed Analysis of the Records Retention section.

#### **How do these requirements affect credit unions?**

Federally insured credit unions are required by law to maintain such programs. However, even without regulatory requirement, a records retention program would be imperative. Credit unions have a responsibility to be able to reconstruct their records in order to protect their assets as well as their member's funds in the event of a disaster such as fire, flood, storm or malicious destruction. This is only prudent and sound business practice.

#### **What must credit unions do to comply?**

A federally insured credit union is required to establish and maintain a vital records preservation program. The program must be in place, not later than 6 months, after the credit union is insured. The vital records preservation program must:

- Be in writing and contain procedures for storing duplicate vital records at a vital records center;
- Designate the staff member responsible for carrying out the vital records duties;
- Provide a schedule for the storage and destruction of records; and
- Contain a records preservation log detailing for each record stored, its name, storage location, storage date, and name of the person sending the record for storage.

InfoSight -- [AZ](#), [CO](#), [WY](#)

## **Compliance Videos**

### **NEW! Compliance Outlook for Q4 2017**

In this [video](#), Glory LeDu provides a brief summary of the key changes of the new HMDA rules becoming effective in January.

### **Quarterly Update for Q4 and Review of Q3**

This newly released Compliance Connection [video](#) reviews those laws and regulations effective in the 3<sup>rd</sup> Quarter of 2017 and tells credit unions what to prepare for in the 4<sup>th</sup> Quarter of 2017 as well as what's coming up in the first half of 2018.

## **Effective Dates New and Revised Rules**

**January 1, 2018**

- [HMDA/Reg C](#)

**January 1, 2018**

Join your credit union compliance peers for instruction and a discussion regarding Advertising & Sweepstakes Rules - review important advertising regulations, and discuss how to avoid pitfalls with promotional giveaways, sweepstakes and contests. Cost is \$35/ person. Instruction, networking and lunch included.

- Feb. 7: [Compliance Lunch & Learn](#): Phoenix, AZ
- Feb 8: [Compliance Lunch & Learn](#): Tucson, AZ
- Feb. 22: [Compliance Lunch & Learn](#): Denver, CO

## CUNA Comment Calls – Due Dates on Proposed Rules

### December 28, 2017~CFPB

[Consumer Response Intake Form](#)

### December 28, 2017~CFPB

[Generic Information Collection Plan for Consumer Complaint and Information Collection System](#)

### December 28, 2017~CFPB

[Submission for OMB Review](#)

### December 29, 2017~NCUA

[Capital Planning and Supervisory Stress Testing](#)

### January 2, 2018~NCUA

[Electronic Loan, Deposit, and Investment Data Collection](#)

### January 8, 2018~CFPB

[Financial Coaching Program for Veterans and Low-income Consumers](#)

### January 16, 2018~CFPB

[Web-based Quantitative Testing of Point of Sale/ATM Overdraft Disclosure Forms](#)



## Compliance Calendar

### February 19, 2018

- President's Day – Federal Holiday

### May 28, 2018

- Memorial Day – Federal Holiday

### July 4, 2018

- Independence Day – Federal Holiday

### September 3, 2018

- Labor Day – Federal Holiday

### October 8, 2018

- Columbus Day – Federal Holiday

### November 12, 2018

- Veterans Day (observed) – Federal Holiday

- [Supervisory Review Committee; Procedures for Appealing Material Supervisory Determinations](#)

### January 1, 2018

- [Appeals Procedures](#)

### January 1, 2018

- [Amendments to Equal Credit Opportunity Act \(Reg B\) Ethnicity and Race Information Collection](#)

### January 1, 2018

- [Truth in Lending Annual Threshold Adjustments](#)

### January 16, 2018

- [Payday Lending, Vehicle Title, and Certain High-Cost Installment Loans](#)

### January 19, 2018

- [Emergency Mergers](#)

### March 16, 2018

- [Same-day ACH - Phase 3 \(Final phase\)](#)

### April 1, 2018

- [Prepaid Accounts under the EFT Act/Reg E and TILA/Reg Z](#)

### April 19, 2018

- [Amendments to 2013 Mortgage Rules under RESPA/Reg X and TILA/Reg Z](#)

### May 11, 2018

- [Customer Due Diligence/CDD](#)

### May 25, 2018

- [EU's General Data Protection Regulation](#)

### July 1, 2018

- [Availability of Funds and Collection of Checks/Reg CC](#)

### October 1, 2018

- [Amendments to the Integrated Disclosure Rule](#)

### January 1, 2019

- [HMDA Thresholds/Reg C](#)

### January 1, 2019

- [Risk-Based Capital](#)

### August 19, 2019

- [Payday Lending, Vehicle Title, and Certain High-Cost Installment Loans](#)

### January 1, 2020

- [HMDA Threshold/Reg C](#)

### December 15, 2020

- [Current Expected Credit Losses](#)

### January 1, 2022

- [Amendments to Equal Credit Opportunity Act \(Reg B\) Ethnicity and Race Information Collection](#)

*\*For detailed information on rules and effective dates,  
click [here](#)*

Please respond to [Mark Robey](#) with any questions or concerns regarding content of this newsletter.

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