

Regulatory Compliance News



MOUNTAIN WEST
Credit Union Association

January 25, 2019

Compliance News

In This Issue:

- **CFPB Requests MLA Supervision Authority**
- **Bureau Adjusts CMPs for Inflation**
- **Jeweler Settles Unauthorized Credit Card Claims**
- **Comments Requested for Funds Availability/Regulation CC**

CFPB Requests MLA Supervision Authority

Bureau Director Kraninger has [announced](#) the CFPB has submitted a [legislative proposal](#) to Congress to grant the Bureau clear non-exclusive authority to supervise for compliance with the Military Lending Act (MLA).

CFPB Adjusts CMPs for Inflation

The CFPB has posted an [announcement of a Final Rule](#) adjusting for inflation the maximum amount of each civil penalty within the Bureau's jurisdiction. The inflation adjustments mandated by the Inflation Adjustment Act serve to maintain the deterrent effect of civil penalties and to promote compliance with the law. The [Final Rule](#) will be effective on publication in the *Federal Register*. They represent a 2.522 percent increase over the limits published for 2018. The Bureau's CMP limits are found in its "Civil Penalty Adjustments" regulation at 12 CFR Part 1083.

Jeweler Settles Unauthorized Credit Card Claims

The Bureau and the State of New York have [announced](#) that, under the terms of a [Consent Order](#), Sterling Jewelers Inc. will pay civil money penalties of \$10 million to the Bureau and \$1 million to the State of New York to settle claims it opened store credit card accounts without customer consent.

A [Complaint](#) filed by the CFPB and the New York Attorney General alleges Sterling enrolled customers in payment-protection insurance without their consent; and misrepresented to consumers the financing terms associated with the credit card accounts. Sterling is headquartered in Akron, Ohio, and does business throughout the United States. Sterling operates over 1,500 jewelry stores under several names, including Kay Jewelers, Jared The Galleria of Jewelry, JB Robinson Jewelers, Marks & Morgan Jewelers, Belden Jewelers, Goodman Jewelers, LeRoy's Jewelers, Osterman Jewelers, Rogers Jewelers, Shaw's Jewelers, and Weisfield Jewelers.

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Compliance Community Highlight

Just a reminder to all Community members, we will be holding our first drawing for a \$25.00 gift card in the first week of February. Anyone who posts or answers a question in the month of January will be eligible for the drawing. If you haven't had a chance to participate in the discussions now is the time.

Your Compliance Community provides additional compliance resources including state-level compliance information and makes networking and collaborating with your local peers more effective and efficient.

If you haven't yet joined the Community, you can access it from the Association's [website](#) by clicking on the "Compliance Community" dropdown under the "Compliance" tab. From the Community homepage, you will be asked to "Join" the Community.

As always, we invite your feedback to help us improve how we serve you.

Source: CFPB

Other Helpful Links:

[NCUA Board Meeting Highlights](#)

Source: NCUA

[CUNA's CompNotes: Final Rule Analyses](#)

Source: CUNA

Advocacy Highlight

Comments Requested for Funds Availability/Regulation CC

By February 8, 2019, comments must be submitted regarding the proposed rule for the Availability of Funds and Collection of Checks (Regulation CC). The new proposal requests a change in dollar amounts including:

- **Minimum Amount:** the minimum amount of deposited funds that banks must make available for withdrawal by opening of business on the next day for certain check deposits;
- **Cash Withdrawal Amount:** the amount a bank must make available when using the EFA Act's permissive adjustment to the funds-availability rules for withdrawals by cash or other means;
- **New-Account Amount:** the amount of funds deposited by certain checks in a new account that are subject to next-day availability;
- **Large-Deposit Threshold:** the threshold for using an exception to the funds-availability schedules when the aggregate amount of checks on any one banking day exceed the threshold amount;
- **Repeatedly Overdrawn Threshold:** the threshold for determining whether an account has been repeatedly overdrawn; and
- **Civil Liability Amounts:** the civil penalties allowed for failing to comply with the EFA Act's requirements.

For additional information:

- [CFPB Notification from November, 2018](#)
- [Federal Register – 2011 Proposal](#)
- [Federal Register – 2018 Proposal](#)
- [Regulations.gov Comment Form](#)

Other CUNA Links of Interest:

- [This Week's Advocacy Update](#)
- [Credit Unions Continue to Assist Government Workers](#)
- [Provide Information for CU Shutdown Assistance](#)

Keeping up with CUNA Advocacy

To stay abreast of the issues on which CUNA has provided input to lawmakers and regulators, [here is a list of those topics](#).

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](#)



History of InfoSight

League InfoSight was founded in 2003 by five leagues (Florida, Georgia, Michigan, Ohio and Texas) and developed *InfoSight*, an online compliance resource, specifically for credit unions. Since then the company has grown and currently 46 states use the InfoSight product.

The company was established to facilitate the collaborative efforts of the group and as a means to encourage broader participation from other leagues. It also actively seeks cooperation and collaboration from CUNA, CUNA Mutual Group and other Credit Union System organizations.

InfoSight generally receives 16,000 – 18,000 page views per month.

You can access InfoSight in the [Community](#) under the [Resources](#) tab.



Is your credit union ready for NCUA's 2019 Supervisory Priorities? With Bank Secrecy Act Compliance and Consumer Compliance listed as two of the top three priorities for this year's examinations, let AffirmX help you be prepared. AffirmX is the leading cloud-based compliance solution that adds expertise to your compliance team and easily integrates into your operations. AffirmX services cover: ACH audit, BSA Independent Testing, SAFE Act audit, complaint management, full-scope compliance reviews, internal audit, risk assessments, website accessibility, and project remediation. Each AffirmX solution delivers near-real time risk-based information to a dashboard that clearly informs your credit union about its compliance operations. In addition, AffirmX offers users a variety of self-review tools, so you can tackle compliance items on your own.

For more information about any of the AffirmX services, please contact Melia Heimbeck at: mheimbeck@mwcu.com (720) 479-3325 or 1 (800) 477-1697 ext. 3325

Compliance Videos

Compliance Connection – New Videos

[In this video](#), League InfoSight CEO Glory LeDu talks about the highlights from the 4th Quarter of 2018 and the 1st Quarter of 2019.

When S.2155, the Economic Growth, Regulatory Relief, and Consumer Protection Act, passed in 2018 there was a lot to

[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.



MOUNTAIN WEST
Credit Union Association

Training & Events Calendar

2018 Webinars

January 29

Webinar: [Real Estate Loan Collection Rules for Lenders & Mortgage Servicers](#)

January 31

Webinar: [Frontline Fraud Prevention: Stopping Fraud at the Teller Line](#)

February 5

Webinar: [Right of Setoff on Deposit Accounts & Loans: Legal Issues](#)

February 7

Webinar: [ACH Tax Refund Exceptions, Posting & Liabilities](#)

February 12

Webinar: [Teller Training: Risks & Precautions for Endorsements & Other Negotiable Instruments](#)

February 13

Webinar: [Board Secretary Procedural and Compliance Responsibilities](#)

February 14

Webinar: [Prepaid Cards: Your Credit Union's Responsibilities Under the New Rules, Effective April 1, 2019](#)

February 21

Webinar: [The New NIST Digital Identity Guidelines: Impact on Passwords, Security Questions & Account Lockouts](#)

February 28

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

**For 2019 webinar questions, please contact MWCUA@cuwebtraining.com.*

First Compliance Lunch & Learns of the Year

Our first three Compliance Lunch & Learns of the year are now

understand! Glory LeDu, League InfoSight CEO, provides [Part 1 in this short video](#) to break it down for you.

Just a reminder that Compliance videos since 2016 can be found on YouTube at [the Compliance Connection channel](#), where they are generally updated quarterly.

CUNA Comment Calls – Due Dates on Proposed Rules

January 14, 2019~NCUA

[NCUA's FCU Bylaws Proposal](#)

January 22, 2019~NCUA

[Fidelity Bonds](#)

January 31, 2019~FHFA

[FHLB Housing Goals Amendments](#)

February 8, 2019~BCFP

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

February 11, 2019~BCFP

[Policy on No-Action Letters and the BCFP Product Sandbox](#)

March 19, 2019~FHFA

[FHFA Validation and Approval of Credit Score Models](#)

Effective Dates New and Revised Rules

January 1, 2019

- [HMDA Thresholds/Reg C](#)

January 1, 2019

- [Liability Provisions of Reg CC](#)

April 1, 2019

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

August 19, 2019

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

January 1, 2020

- [Risk-Based Capital](#)

January 1, 2020

- [HMDA Threshold/Reg C](#)

December 15, 2021

- [Current Expected Credit Losses](#)

January 1, 2022

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

available for registration. Our topic for this first set of Lunch & Learns is the Do's and Don'ts and I Don't Knows with Deceased Accounts.

Simply click on the date and location closest to you to get information and details about each program.

- [February 6 - Phoenix, AZ](#)
- [February 7 - Tucson, AZ](#)
- [February 12 - Denver, CO](#)

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



February 18, 2019

President's Day – Federal Holiday

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

Sign up to receive Regulatory Compliance News by sending an email to [Donna Gibbs](#).

Archived Regulatory Compliance Newsletters can be accessed [here](#) or on our website www.mwcu.com – Compliance News.

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