

Regulatory Compliance News



MOUNTAIN WEST
Credit Union Association

April 12, 2019

Compliance News

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CECL FAQs Released by Agencies

The Board of Governors of the Federal Reserve Board (FRB), the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA), and the Office of the Comptroller of the Currency (OCC) released an updated FAQ document on CECL (current expected credit losses) methodology. This document contains already issued FAQs from 2016 and 2017, as well as those updated and newly added in this April 2019 release.

The April 2019 updates include adjustments to Questions #4, #18, #34, and #35. New FAQs to the document are #38- #46.

The notice makes clear that until CECL becomes effective, credit unions (and other institutions) must continue to follow current U.S. GAAP on impairment and the allowance for loan and lease losses (ALLL). Existing ALLL policy statements and guidance will not be rescinded until CECL is effective for *all institutions*. You may recall that there are different effective dates depending on an institution's characteristics. For credit unions (non-PBEs) the credit losses standard is effective for fiscal years beginning after December 15, 2021 including interim periods within those fiscal years. So, for a non-PBE with a calendar year fiscal year, the standard is effective January 1, 2022 with the application of CECL methodology applied in its financial statements and Call Reports for the quarter ended March 31, 2022.

[The FAQ document is available here.](#)

Source: FRB, FDIC, NCUA, OCC

HUD Charges Facebook With Housing Discrimination Over Company's Targeted Advertising Practices

The U.S. Department of Housing and Urban Development (HUD) announced that it is charging Facebook with violating the Fair Housing Act by encouraging, enabling, and causing housing discrimination through the company's advertising platform. [Read HUD's Charge against Facebook.](#)

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Compliance Community Highlight

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.



Recent Updates for Review

Did you know that InfoSight is adding new resources and

This action follows HUD's investigation of a [Secretary-initiated complaint filed on August 13, 2018](#). HUD alleges that Facebook unlawfully discriminates based on race, color, national origin, religion, familial status, sex, and disability by restricting who can view housing-related ads on Facebook's platforms and across the internet. Further, HUD claims Facebook mines extensive data about its users and then uses that data to determine which of its users view housing-related ads based, in part, on these protected characteristics.

"Facebook is discriminating against people based upon who they are and where they live," said HUD Secretary Ben Carson. "Using a computer to limit a person's housing choices can be just as discriminatory as slamming a door in someone's face."

HUD General Counsel Paul Compton added, "Even as we confront new technologies, the fair housing laws enacted over half a century ago remain clear—discrimination in housing-related advertising is against the law. Just because a process to deliver advertising is opaque and complex doesn't mean that it exempts Facebook and others from our scrutiny and the law of the land. Fashioning appropriate remedies and the rules of the road for today's technology as it impacts housing are a priority for HUD."

The Fair Housing Act prohibits discrimination in housing and in housing-related services, including online advertisements, based on race, color, national origin, religion, sex, disability, or familial status.

[Here is the complete article.](#)

Source: HUD.gov

[Other Articles of Interest](#)

[CUNA Final Rule Analyses](#)

[NCUA's Manuals and Guides](#)

Advocacy Highlight

[The Week in Washington – April 8, 2019](#)

[FASB Votes Against Proposing Changes to CECL](#)

The Financial Accounting Standards Board voted unanimously against formally issuing changes to the [CECL accounting standard](#) that would have affected how credit losses are recorded.

The [changes](#) were the subject of a January roundtable at FASB's headquarters in Norwalk, CT.

Source: CUNA Advocacy

[CUNA's 2019 Advocacy Agenda](#)

[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](#)

content on a consistent basis in order to help your credit union with compliance?

Aside from the new content we have recently added (Payday Alternative Loans and Prepaid Cards), we have also added additional resources that you may find helpful. If you haven't already, please check out these goodies under "Additional Resources" of the associated topics in the Loan Channel.

- *Home Mortgage Disclosure Act: "CFPB – Overview Reference Chart for Data Collected in 2019" and "2019 HMDA Reporting Guide"*
- *Ability to Repay and Home Ownership Equity Protection Act and Truth in Lending: "Rural and underserved areas tool"*
- *SAFE Act – Registration of Mortgage Loan Originators: "S.2155 Impact on MLO Registration – NMLS FAQs"*

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



Stay on top of compliance and still have time to serve your members. 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 Heimbuck at: mheimbuck@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 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](#),

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.



MOUNTAIN WEST
Credit Union Association

Training & Events Calendar

2019 Webinars

April 18

Webinar: [Liability with ACH Death Notification Entries \(DNEs\) & Reclamations](#)

April 23

Webinar: [Top 20 Questions About Completing the TRID Loan Estimate & Closing Disclosure](#)

April 24

Webinar: [Escrow Account Compliance, Including Shortages, Surpluses & Deficiencies](#)

April 29

Webinar: [Hacking the Weakest Link: The Role of Staff in Maintaining IT Security](#)

April 30

Webinar: [Introduction to Call Report Loan Classifications](#)

May 2

Webinar: [Troubled Debt Restructuring: Identifying & Accounting for Impaired Loans](#)

May 9

Webinar: [Job-Specific BSA Training for Lenders](#)

May 13

Webinar: [Accurately Completing the SAR Line-by-Line](#)

May 14

Webinar: [Fair Lending Examinations: Increased Scrutiny, New Methodologies & False Positives](#)

May 16

Webinar: [Hot Issues in Cyber Compliance](#)

May 20

Webinar: [Top 10 Ways to Mitigate ACH Payment Risk](#)

where they are generally updated quarterly.

CUNA Comment Calls – Due Dates on Proposed Rules

March 8, 2019~FASB

[Targeted Transition Relief for Credit Losses \(CECL\)](#)

March 21, 2019~FHFA

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

April 26, 2019~NCUA

[Supervisory Committee Audits & Verifications](#)

May 1, 2019~CFPB

[Consumer Credit Card Market](#)

May 7, 2019~CFPB

[Residential Property Assessed Clean Energy Financing](#)

May 15, 2019~CFPB

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

Effective Dates

New and Revised Rules

April 1, 2019

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

July 1, 2019

- [Loans in Areas Having Special Flood Hazards](#)

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](#)

January 1, 2022

- [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](#)*

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

One-Day Compliance Seminars

Mountain West is excited to announce a new compliance program in 2019 - **Regulatory Compliance Update Seminars!** This one-day seminar brings several of the latest compliance topics and regulation updates to your region including: MLA/SCRA, BSA/CDD, Special Account Issues, HMDA, UDAAP, NCUA Supervisory Priorities, and more. The program will bring you up to date on current compliance issues, but is not as detailed as the annual two-day Regulatory Compliance School taking place in the fall. This training is appropriate for compliance professionals, as well as any lending/operations professionals, who want to stay current on the latest updates in regulatory compliance at your credit union.

See below for dates and locations:

May 7 - [Sterling, CO](#)

May 9 - [Grand Junction, CO](#)

May 15 - Phoenix, AZ (*registration opening soon!*)

May 16 - Tucson, AZ (*registration opening soon!*)

June 5 - Casper, WY (*registration opening soon!*)

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.

If you're having trouble viewing content, please check your viewer's settings.