

InfoSight Highlight

InfoSight Highlight: Keep watching this space!

Note: Due to the Thanksgiving holiday, there will be no newsletter next week!

It won't be long before we'll be able to share the exciting news about some changes with InfoSight!



Compliance News

Federal judge stays implementation of Payday Loan Rule

[CUNA News](#) reports that a judge in the U.S. District Court for the Western District of Texas ordered a stay Tuesday of the August 2019 compliance date of the Bureau of Consumer Financial Protection's short-term, small-dollar lending rule. The Bureau said October 26 that it intends to issue a proposed rule to amend the "Payday Loan Rule" in January.

Source: CUNA

Recent OFAC Actions

The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) [took action this week](#) to target four Hizballah-affiliated individuals who lead and coordinate the group's operational, intelligence, and financial activities in Iraq.

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Credit Union National
Association

Compliance Videos

Compliance Connection Video

Are you sure you're in compliance with the FinCEN requirements that were effective in May? You may want to take another look at the [FinCEN Customer Due Diligence video](#) from League InfoSight's CEO Glory LeDu to be sure!

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

Compliance Calendar

November, 2018

- November 22nd, 2018: Thanksgiving Day - Federal Holiday

December, 2018

OFAC has [announced](#) the extension of the expiration date of certain general licenses related to EN+ Group plc (EN+), United Company RUSAL PLC (RUSAL), and GAZ Group (GAZ). A Treasury spokesperson stated "EN+, RUSAL, and GAZ are proposing substantial corporate governance changes that could potentially result in significant changes in control of these sanctioned entities. As the review of these complex proposals is ongoing, OFAC is extending the expiration date of related licenses until January 7."

Source: OFAC

Is a Credit Report Fee a Finance Charge or Not?

Regulation Z does provide some examples of finance charges and examples of charges that are not finance charges."

Despite these examples, it is sometimes difficult to determine whether a particular charge is a finance charge or not.

Here is a short test to improve your knowledge and understanding of finance charges:

Select the correct statement or statements concerning credit report fees.

- A. Credit report fees are always considered finance charges under Regulation Z.
- B. Credit report fees are never considered finance charges under Regulation Z.
- C. Credit report fees are considered finance charges on transactions secured by real property and are not considered finance charges for all other loans.
- D. Credit report fees are not considered finance charges on transactions secured by real property but are considered finance charges for all other loans

Answer:

- Regulation Z Section 1026.4(b)(4) indicates that credit report fees are considered finance charges unless specifically excluded. Paragraph (c) states that credit report fees are excluded from the finance charge for transactions secured by real property or in a residential mortgage transaction if the fees are bona fide and reasonable in amount.

- December 25th, 2018: Christmas Day - Federal Holiday

April, 2019

- April 1st, 2019: [Prepaid Accounts under the Electronic Fund Transfer Act/Regulation E and the Truth In Lending Act/Regulation Z \(Date Extended\)](#)

Compliance Training

CUNA Webinars

[CUNA has published a list of their free webinars for 2018!](#)

CUNA offers hundreds of online training events that make it easy for you to learn right at your desk. Whether you are looking for a beginner course or want a comprehensive understanding on a specific topic, CUNA webinars, audio conferences and eSchools have what you need. [Click here for updates on compliance, operations, lending topics and more!](#)

- Therefore, credit report fees are not considered finance charges for mortgage loans as long as they are bona-fide and the amount is reasonable, however credit report fees are considered finance charges for all other loans.

Therefore, the correct answer is “D.”

Source: CUNA Comp Blog

Advocacy Highlight

CUNA Released a Whitepaper on the Impact of the 2018 Midterm Elections

CUNA [released a whitepaper](#) highlighting the 2018 midterm elections impact on credit unions. The in-depth analysis provides details on credit union involvement in the election, what the results mean for Main Street institutions and CUNA's advocacy plans for the 116th Congress. Despite the divided Congress, credit unions are confident in their ability to operate in a challenging legislative environment.

Source: CUNA

New Bill Proposes Fines for Execs Misusing Consumer Data

Democrat Senator Ron Wyden released a draft bill this week that proposes big fines for companies misusing the personal information of American consumers, along with significant prison terms for their executives.

The new bill, named the [Consumer Data Protection Act of 2018](#), aims to give consumers control over their data, including how it's sold or shared, and gives the U.S. Federal Trade Commission (FTC) the power to issue fines and other penalties.

Sen. Wyden is accepting feedback on the bill. In its current form, the legislation empowers the FTC to establish minimum privacy and security standards, issue fines of up to 4% of an offending company's annual revenue (similar to the EU's GDPR), and even prison terms ranging between 10 and 20 years for senior executives. The agency would be given the resources necessary to hire 175 individuals to “police” the market for private data.

The bill also proposes the implementation of a national “do not track” system that allows consumers to stop companies from tracking them on the

web. On the other hand, firms would be allowed to charge individuals who want to use their products without having their personal information monetized.

Consumers would also be given the tools to review the information a company has on them and find out whom it has been shared with.

“Today’s economy is a giant vacuum for your personal information – Everything you read, everywhere you go, everything you buy and everyone you talk to is sucked up in a corporation’s database. But individual Americans know far too little about how their data is collected, how it’s used and how it’s shared,” Sen. Wyden stated.

“It’s time for some sunshine on this shadowy network of information sharing. My bill creates radical transparency for consumers, gives them new tools to control their information and backs it up with tough rules with real teeth to punish companies that abuse Americans’ most private information,” he added.

Sen. Wyden has been highly involved in matters related to cyber security. He proposed a bill to force vendors to ensure basic security in IoT devices, he asked the Department of Defense to secure its websites, and urged federal agencies to ditch Flash Player.

Source: Security Week

Pending Regulatory Comment Calls

[CUNA plans to comment on the following pending regulatory proposals](#) for the rest of this year. For comment letters to have the greatest impact, consider whether and how these proposals would affect your credit union and contact the CUNA staff listed for each proposal with your feedback. Also, feel free to contact the CUNA staff listed if you would like more information on how to send your own letter.

CUNA Advocacy

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 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.

ComplySight – What IS it??

We recorded a “live” webinar earlier this year that provides information regarding ComplySight, League InfoSight’s compliance management system and how it can benefit your credit union. If you’ve not seen it and have wondered just what it is and what it can do for you, [it’s available here](#).

Free Trial Offer!

If you already know about ComplySight and you’re interested in a “trial run” of ComplySight, League InfoSight is offering a free, 30-day trial so you can see the benefits first-hand. It's easy to get started. [Just visit us online and click on Free Trial Offer](#).

