

## InfoSight Highlight

### InfoSight – Advertising

When your credit union is considering a new - or thinking of making changes to an existing - product or service, you will definitely want to review the Advertising channel to be sure you are in compliance with the necessary requirements. These include not only the general rules for advertising specific products and services such as accounts, loans, safe deposit facilities and raffles, but also includes topics such as CAN-SPAM, NCUA signage requirements, prescreen opt-out notices, social media risk management and more.

Be sure you are kept up-to-date with the information in the [Advertising channel](#) today!

## Compliance News

### PayPal settles FTC UDAP charges

The [FTC has announced that it has reached a settlement with PayPal](#), Inc. over allegations that the company told users of its Venmo peer-to-peer payment service that money credited to their Venmo balances could be transferred to external bank accounts without adequately disclosing that the transactions were still subject to review and that funds could be frozen or removed. A [complaint filed by the FTC](#) also charged that Venmo misled consumers about the extent to which they could control the privacy of their transactions. In addition, Venmo misrepresented the extent to which consumers' financial accounts were protected by "bank grade security systems," and violated the Gramm-Leach-Bliley Act's Safeguards and Privacy Rules. As part of the [proposed settlement](#), Venmo is prohibited from misrepresenting any material restrictions on the use of its service, the extent of control provided by any privacy settings, and the extent to which Venmo implements or adheres to a particular level of security. Venmo is also required to make certain disclosures to consumers about its transaction and privacy practices, and is prohibited from violating the Privacy Rule and the Safeguards Rule. Consistent with several past cases involving violations of Gramm-Leach-Bliley Act Rules, Venmo is required to obtain biennial third-party assessments of its compliance with these rules for 10 years.

Source: *FTC*

## InfoSight Compliance eNEWSLETTER March 9, 2018 Vol. 12, Issue 10

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Credit Union National  
Association

## Compliance Videos

### Compliance Outlook for Q1 and Q2 2018

In this NEW video, Glory LeDu provides the [overview of what's ahead in the compliance world for 2018](#). This covers annual threshold updates, HMDA changes, Payday Alternative Loans, Military Lending Act, ACH Same-day ACH processing and more!

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

March, 2018

- March 16th, 2018: [Same-day ACH \(NACHA\) – Phase 3](#)

## Service Animals in the Credit Union – Q&A from CUNA

Q: We are seeing a much broader range of service animals entering the credit union with members who are not obviously using them to perform specific tasks. Sometimes the animals are not very well behaved. What are our obligations under the ADA to ensure that our members with disabilities are protected from discrimination, while at the same time maintaining a safe environment for all of our members?

A: Credit unions are not the only businesses that are struggling with the growing number and variety of “service animals”. Many of us have seen the recent news reports about airlines tightening their policies due to mishaps by “emotional support” turkeys, snakes, and other unconventional animals. Additionally, many states have passed laws to crack down on people who try to pass off their pets as “service animals.”

While both the Air Carriers Access Act (ACAA) and the Fair Housing Act (FHA) call for modification of (no pets) policies for “emotional support animals”, the American with Disabilities Act (ADA) only addresses “service animals”, and states that the “provision of emotional support, well-being, comfort, or companionship do not constitute work or tasks” of a service animal as defined by the ADA.

[Click here for the rest of the CUNA Blog.](#)

Source: *CUNA Compliance Blog*

### Advocacy Highlight

#### S. 2155 – Economic Growth, Regulatory Relief, & Consumer Protection Act

The Economic Growth, Regulatory Relief, and Consumer Protection Act—S. 2155 contains several provisions that would significantly reduce regulatory burden for community financial institutions like credit unions. These changes would allow credit unions across the country to more fully serve their members’ needs, from mortgages to small business loans.

**Section 101-** provides relief from some of the requirements of the Qualified Mortgage rule for certain lenders who hold mortgage loans in portfolio. Treating loans held on balance sheets in this manner is especially appropriate for credit unions not only because they retain all of the risk involved with these mortgages and are subject to significant safety and soundness supervision from their prudential regulator, but also because

[of the implementation period for the rule.](#)

April, 2018

- April 1st, 2018: [Prepaid Accounts under the Electronic Fund Transfer Act/Regulation E and the Truth In Lending Act/Regulation Z \(Date Extended\)](#)
- April 19th, 2018: [Amendments to the 2013 Mortgage Servicing Rules](#)
- April 29th, 2018: [5300 Call Report Due to NCUA](#)

May, 2018

- May 11th, 2018: [Customer Due Diligence – CDD \(FinCEN\) – Effective date](#)
- May 28th, 2018: Memorial Day - Federal Holiday

July, 2018

- July 4th, 2018: Independence Day - Federal Holiday
- July 29th, 2018: [5300 Call Report Due to NCUA](#)

September, 2018

they frequently have unique knowledge of their members' financial circumstances.

**Section 104-** includes changes to Home Mortgage Disclosure Act reporting requirements, including raising the threshold for reporting to 500 closed-end and open-end loans in a calendar year.

**Section 105-** presents a simple fix, based on consistency and fairness that could significantly reduce constraints and free up billions in capital for economic development. Under current law, when a bank makes a loan for the purchase of a 1-4 unit, non-owner-occupied residential property the loan is classified as a residential real estate loan. On the other hand, credit unions that make such loans are forced to classify such loans as business loans.

**Section 108-** addresses long-held concerns about Property Assessed Clean Energy (PACE) loans; namely, that the same consumer protections in place with respect to mortgage lending are nonexistent for PACE loans.

**Section 110-** removes the three-day wait period required for the combined TILA/RESPA mortgage disclosure if a creditor extends to a consumer a second offer of credit with a lower annual percentage rate.

**Section 303-** is an important step toward improving protection for seniors by providing legal immunity for properly trained financial services employees who disclose concerns about financial exploitation of senior citizens.

**Section 501-** requires Treasury to conduct a study on the risks that cyber threats may pose to financial institutions. This is particularly important due to recent data breaches, which cause tremendous disruption and impose significant costs to credit unions.

If this bill becomes law, credit unions and their members will benefit directly in a variety of ways. Credit unions will be able to make the process of getting a mortgage loan simpler and faster. Local communities will have better access to affordable housing as credit unions are able to provide more loans for rental properties. Finally, and most importantly, with less regulatory burden, smaller financial institutions like credit unions can concentrate more on serving their members, rather than spending hours complying with unnecessary regulatory burdens originally intended for Wall Street.

**Make your voices heard.**

- September 3rd, 2018:  
Labor Day - Federal Holiday

October, 2018

- October 8th, 2018:  
Columbus Day - Federal Holiday

### Compliance Training

#### Regulatory Compliance Training

CUNA and CUNA Webinars

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!](#)

CFPB'S Amendments to the Mortgage Servicing Rules Webinar (Recorded)

Credit unions that service mortgage loans saw an increase in their servicing responsibilities in October 2017 and will see additional requirements take effect in April 2018. [Click here to register for this recorded webinar.](#)

1. [Contact your Senator and ask them to vote YES.](#)
2. If you are a MAP credit union, [activate your members.](#)
3. Educate your staff about this crucial vote and encourage them to [tweet](#), [call](#), and [email](#) their Senators, and here are [recommended social media posts.](#)

S.2155 is bipartisan, common-sense reform legislation that will protect seniors from elder abuse, make mortgage processing easier and quicker, increase affordable rental housing in our communities, and help credit unions provide better service to their members.

You've been advocating for common-sense regulation for over a year now and this is the week where we get a crucial vote in the Senate. Your voices helped get this bill to the floor. Now it's time for Congress to fight for the 110 million Americans who depend on credit unions.

*Source: CUNA Advocacy*

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### **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.

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### **COMPLYSIGHT ENHANCEMENTS!**

ComplySight has recently enhanced the Export process, allowing users additional flexibility to retain or archive data in the system. A new training

video is available to walk users through the Export process and all the options. We now have a total of 17 video tutorials, plus an updated User's Guide!

To access the tutorials and User's Guide, log into ComplySight and click on the "Training and Support" link in the left navigation (formerly known as "Help"), then choose "Video Tutorials." If you have any questions, please feel free to contact [info@complysight.com](mailto:info@complysight.com).

**ComplySight: 30-Day Free Trial!**

If 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.](#)

