

InfoSight Highlight

InfoSight – Field of Membership

Field of membership (FOM) is something that sets credit unions apart from other financial institutions and defines the person, including organizations and other legal entities, a credit union is permitted to accept for membership. Generally, credit unions can only offer services to persons within the FOM who have actually become members of the credit union. The credit union's charter and bylaws will identify who is eligible for membership within your credit union.

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

Compliance News

FinCEN Issues Updated FAQ for Customer Due Diligence Requirements

On April 3, 2018, FinCEN issued Frequently Asked Questions to assist covered financial institutions in understanding the scope of the Customer Due Diligence Requirements for Financial Institutions, (the CDD Rule) published on May 11, 2016. [Click here to access the updated FAQs.](#)

Source: FinCEN

NCUA Posts New Share Insurance Fund Distribution Directions Online

Federally insured credit unions now can find online information about calculating and recording the planned Share Insurance Fund equity distribution from the National Credit Union Administration.

The NCUA recently posted new frequently asked questions about the distribution that include a preliminary pro rata calculation figure and instructions for recording the distribution, available online here.

The pro rata calculation figure is subject to change, and the NCUA assumes no responsibility for an eligible credit union's accounting estimate of its Share Insurance Fund equity distribution.

Following the closure of the Temporary Corporate Credit Union Stabilization Fund and the transfer of assets to the Share Insurance Fund on Oct. 1, 2017, the NCUA Board, at its February 2018 open meeting, authorized a statutorily required Share Insurance Fund equity distribution

InfoSight Compliance eNEWSLETTER

April 6, 2018

Vol. 12, Issue 14

Created in partnership with the



Credit Union National
Association

Compliance Videos

Compliance Outlook for Q1 and Q2 2018

In this 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

April, 2018

- April 19th, 2018: [Amendments to the 2013 Mortgage Servicing Rules](#)

of \$736 million to eligible credit unions, to be paid in the third quarter of 2018.

NCUA Marks National Financial Capability Month

Agency to Participate in Twitter Chat, Webinar, Facebook Live, and Capitol Hill Event

The National Credit Union Administration will join several events highlighting the importance of financial preparedness as part of the Financial Literacy and Education Commission's Financial Capability Month campaign.

During Financial Capability Month, which runs April 1 to April 30, the NCUA will participate in the following events:

- April 11, 1 p.m.—Twitter chat hosted by the agency and members of FLEC. During the chat, participants will learn more about the resources available to help improve financial well-being. Credit unions and consumers are encouraged to follow the conversation and contribute using the #FinancialChat hashtag on Twitter.
- April 12, 12 p.m.—Financial Literacy Day on Capitol Hill to educate lawmakers, congressional staffers, and the public about consumer protection and financial literacy efforts by the federal government and its partners. As a participant, NCUA will share information about federally insured credit unions and the role of NCUA. The event is organized by the Jump\$tart Coalition, Junior Achievement USA, and the Council for Economic Education.
- April 18, 3 p.m.—Facebook Live event, “Improving Your Financial Future” The live event will be hosted on the [Federal Emergency Management Agency's Facebook page](#).
- April 26, 2 p.m.—Webinar, “Be Ready Financially: Resources to Help Individuals and Families with Financial Preparedness,” also hosted by the Federal Emergency Management Agency. Registration information will be available from the NCUA soon. There will be no charge for this webinar.

[View the entire press release](#)

Source: NCUA

- 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 1st, 2018: [Regulation CC Amendments – Availability of Funds and Collection of Checks](#)
- July 4th, 2018: Independence Day - Federal Holiday
- July 29th, 2018: [5300 Call Report Due to NCUA](#)

September, 2018

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

October, 2018

- October 8th, 2018: Columbus Day - Federal Holiday
- October 28th, 2018: [5300 Call Report Due to NCUA](#)

CUNA PROVIDES FIRST QUARTER UPDATE FOR THE MLA FEE COMPARISON SPREADSHEET

In September of 2017 CUNA announced that it had worked with a third party to develop an interactive MLA Fee Comparison spreadsheet for determining whether certain credit card fees they charge are considered Reasonable and Bona Fide.

At the request of a number of credit unions, CUNA has agreed to update the spreadsheet on a quarterly basis during 2018.

The [recently-updated first quarter 2018 fee comparison spreadsheet](#) has been downloaded in CUNA's Compliance Community under Compliance Resources Tab and is also located under the CUNA Resources tab in the MLA topic of CUNA's e-Guide.

In each location you will find the updated spreadsheet from the end of March 2018 as well as the initial spreadsheet from September 2017, in case you need to refer to historical data.

CUNA estimates that use of the spreadsheet will significantly reduce the time required to determine whether a credit union's fees are "Reasonable" and Bona Fide when compared to performing the same steps manually.

[Click here to read the rest of our blog post!](#)

Source: CUNA Compliance Community

Advocacy Highlight

CFPB issues 10th RFI in series

The CFPB has [announced the tenth in its Call for Evidence series](#) of Requests for Information to ensure the Bureau is fulfilling its proper and appropriate functions. [The latest RFI](#) seeks comments and information from interested parties to assist in assessing the overall effectiveness and accessibility of its guidance materials and activities, including implementation support. The Bureau is also considering whether it would be appropriate to make changes to the formats, processes, and delivery methods for providing this guidance, and whether it would be appropriate to make changes to the disclaimers used on certain forms of guidance. Publication of the RFI is scheduled for Monday, April 2. A 91-day comment period will end Monday, July 2, 2018.

Compliance Training

Regulatory Compliance Training

CUNA and 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!](#)

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.](#)

Source: CUNA Advocacy

CUNA and Trades Disagree with Part of Court's FOM Ruling

The U.S. District Court for the District of Columbia upheld two challenged portions of the National Credit Union Administration's field of membership (FOM) rule and struck down two provisions in a lawsuit filed against the agency by the American Bankers Association (ABA). CUNA, the National Association of Federally-Insured Credit Unions (NAFCU), and CUNA Mutual Group, in a joint statement, disagreed with the court's decision and reiterated their intent to continue to work in support of the agency's authority to issue this rule.

"Our organizations are pleased the court upheld components of the NCUA's field-of-membership rule; however, we strongly disagree with the court's decision that aspects of the rule exceed the agency's legal authority," said NAFCU President/CEO Dan Berger, CUNA President/CEO Jim Nussle and CUNA Mutual Group President/CEO Robert Trunzo. "The field-of-membership rule is not only entirely consistent with the Federal Credit Union Act, but also credit unions must have the ability to grow and serve more Americans. As the parties consider their options going forward, we will continue to support the agency on this critical issue."

The provisions declared to exceed the NCUA's statutory authority include those that automatically qualify a combined statistical area (CSA) with fewer than 2.5 million people to be a local community and the increase to 1 million people the population limit for rural districts. [[Read more here](#)]

Alabama Enacts Data Breach Law & Amends the State's Credit Union Act

Alabama Credit Union Act Update

Governor Ivey signed legislation updating the Alabama Credit Union Act. The measure, H.B. 316, was championed by the League of Southeastern Credit Unions and received overwhelming support in both legislative chambers. The bill clarifies the voting requirements for mergers, authorizes credit unions chartered in other states to convert to the Alabama charter and provides guidelines for the Alabama Credit Union Board.

Data Breach Legislation Enacted

After several attempts, an Alabama bill requiring companies, organizations and state government to notify consumers if their personal and financial information is compromised was enacted yesterday. When S. 318 becomes effective later this year, all 50 states will have a data breach notification law. [[Read more here](#)]

Source: CUNA Advocacy Update

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.

WHAT CAN COMPLY SIGHT DO FOR YOUR CREDIT UNION?

ComplySight serves as a comprehensive compliance management and tracking tool that streamlines the compliance process throughout the credit union. The system provides visibility, tracking, measuring and reporting for compliance activities allowing credit unions to address compliance initiatives through a single application, assisting in the organization's overall communication, supporting a state of continual readiness for audits, and providing regulatory updates essential to maintaining credit union compliance. ComplySight will match compliance needs with compliance gaps filling the need with additional League InfoSight products like InfoSight and CU PolicyPro.

ComplySight will allow designated users to select specific standard industry compliance items and, with a user-defined risk threshold and sliding scale, rate their level of compliance based on industry defined factors. The user can build “Action Items” to manage the process of documenting their compliance efforts and assigning tasks.

Credit union policies and other compliance documents may be uploaded into ComplySight, making it a single repository for compliance reviews, complaint management, and associated documentation. There are many useful tools to manage the compliance evaluation process along with many resources to answer compliance questions through our unique integration of ComplySight with InfoSight and CU PolicyPro. Additionally, links to agency regulatory pages associated with the specific areas of compliance have also been included.

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.](#)

