



Compliance eNewsletter

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InfoSight News

New Topic in Loans and Leasing – Forfeiture of Vehicles and Other Property

A new topic, Forfeiture of Vehicles and Other Property has been added to the Loans and Leasing channel. Federal statutes authorize the government to seize and have declared forfeited any aircraft, vehicle or vessel used in connection with the violation of certain federal or state laws.

Check it out today!

Compliance News

House passes SAFE Banking Act bill

The House of Representatives approved its [SAFE Banking Act](#) bill in a bipartisan vote yesterday. The bill now goes to the Senate, where its fate is uncertain. As passed by the House, the bill would allow banks to serve cannabis-related businesses in the 33 states where marijuana is legal at some level and prohibit federal regulators from acting against a bank solely because marijuana is involved.

Source: CUNA

NCUA issues rules for PALs II

The NCUA Board published [\[84 FR 51942\]](#) a final rule (referred to as the PALs II rule) to allow federal credit unions to offer additional payday alternative loans (PALs) to their members. The final rule does not replace the NCUA's current PALs rule (referred to as the PALs I rule). Rather, the PALs II rule grants FCUs additional flexibility to offer their

members meaningful alternatives to traditional payday loans while maintaining many of the key structural safeguards of the PALs I rule. The PALs II rule will be effective December 2, 2019.

Source: NCUA

DOL Issues Final Overtime Rule

On September 24, 2019, the U.S. Department of Labor announced a final rule to update the earnings thresholds necessary to exempt executive, administrative and professional employees from the Fair Labor Standards Act's (FLSA) minimum wage and overtime pay requirements. The final rule is effective on January 1, 2020.

The DOL final rule:

- Raises the "standard salary level" from the currently enforced level of \$455 per week to \$684 per week (equivalent to \$35,568 per year for a full-year worker);
- Raises the total annual compensation requirement for "highly compensated employees" from the currently enforced level of \$100,000 per year to \$107,432 per year;
- Allows employers to use nondiscretionary bonuses and incentive payments (including commissions) paid at least annually to satisfy up to 10% of the standard salary level, in recognition of evolving pay practices; and
- Revises the special salary levels for workers in U.S. territories and the motion picture industry.

Additional information is available below. Be sure to consult an HR professional if you need assistance in implementing these new salary levels in your institutions.

More Information:

- [DOL Press Release](#)
- [Federal Register notice](#)
- [Fact sheet](#)
- [Frequently asked questions](#)
- [Small Entity Compliance Guide](#)

Source: CUNA Compliance Blog

Other Articles of Interest:

- [Consumer Financial Protection Bureau and South Carolina File Suit against brokers of High-Interest Credit Offers](#)
- [CUNA Comp Blog: The GLBA Privacy Rule in a Nutshell](#)

- [CFPB: Secure and Fair Enforcement for Mortgage Licensing Act FAQs](#)

Advocacy Highlight

SAFE Banking Act shows Benefits of Financial Sector Cooperation

Last week's historic House [vote to advance the Secure and Fair Enforcement \(SAFE\) Banking Act](#) was an example of what can happen when the financial services sector works together, CUNA Chief Advocacy Officer Ryan Donovan [wrote in The Hill](#) Tuesday.

Donovan says the story of how the bill advanced represents some of the best practices in financial services lawmaking, starting with the tenacity of the bill's sponsors, Reps. Ed Perlmutter (D-Colo.), Denny Heck (D-Wash.), Steve Stivers (R-Ohio) and Warren Davidson (R-Ohio).

"Their efforts were supported by a unified financial services sectors led by credit unions, banks and their associations working together to help Congress and their industries understand that the cannabis banking legislation wasn't about making cannabis legal, but rather about making sure that legal cannabis business can bank safely," Donovan writes. "Credit unions and banks working together on Capitol Hill might sound novel, and it certainly makes lawmakers take notice, but it's not new. We've worked together to enact regulatory relief legislation; we stood side by side at the Consumer Financial Protection Bureau; we've even been on the same side of data breach litigation.

"And when we've worked together, we've almost always achieved a positive outcome for the institutions we represent and the consumers and small businesses they serve," he adds.

Donovan notes that the success achieved with last week's vote shows that credit unions and banks working together can tackle "something equally insurmountable, not just 'run of the mill' trade issues."

"Neither banks nor credit unions are strangers to the reputational and financial costs associated hacked accounts and identity fraud," he writes. "Can our combined efforts pave the way for a long-past-due national data security and privacy package?"

In the weeks leading up to the vote, CUNA President/CEO Nussle and American Bankers Association President/CEO Rob Nichols [cosigned an appeal in FOX Business](#) to Congress to pass the SAFE Banking Act, and [the two appeared at a rally](#) celebrating last week's House passage of the bill. CUNA and the Leagues will continue to work with banking trades to shepherd the legislation through the Senate.

Source: CUNA Advocacy News

CUNA's Advocacy Resources

- [This Week in Washington – September 30, 2019](#)
- [Input to lawmakers and regulators](#)
- [CUNA Advocacy page](#)
- [CUNA's Removing Barriers blog](#)
- [CUNA's Priorities](#)
- [Actions You Can Take](#)

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Compliance Calendar

- October 14th, 2019: Columbus Day - Federal Holiday
- October 22nd, 2019: Appraisals (NCUA)
- October 22nd, 2019: Fidelity Bonds (NCUA)
- November 11th, 2019: Veterans Day - Federal Holiday
- November 24th, 2019: SAFE Act. – MLO Registration

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