



## Compliance eNewsletter

June 26, 2020 Vol. 14, Issue 25

### InfoSight News

#### Content Update

To assist credit unions with upcoming compliance, the **Remittance Transfer** topic on the ACH/Electronic Payments channel has been updated to include the Final Remittance Transfer Rule changes that take effect on July 21, 2020.

#### Upcoming Newsletter Schedule

**PLEASE NOTE - THERE WILL BE NO NEWSLETTER NEXT WEEK!**  
**Have a Safe and Happy 4th of July!**

### Compliance and Advocacy News & Highlights

#### CFPB launches pilot advisory opinion program

The CFPB has [announced](#) it has launched [pilot advisory opinion \(AO\) program](#) to publicly address regulatory uncertainty in the Bureau's existing regulations. The pilot AO program will allow entities seeking to comply with regulatory requirements to submit a request where uncertainty exists. The Bureau will then select topics based on the program's priorities and make the responses available to the public. The pilot program will focus on four key priorities:

- Ensuring consumers are provided with timely and understandable information to make responsible decisions
- Identifying outdated, unnecessary or unduly burdensome regulations in order to reduce regulatory burdens
- Consistency in enforcement of federal consumer financial law in order to promote fair competition
- Ensuring markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation

In addition to the pilot, the Bureau also announced that the public can comment on the [proposed AO program](#), which the Bureau plans to fully implement after it completes a review of comments received following the pilot program.

*Source: CFPB*

## SBA Launches PPP Tool to Connect Small Businesses with Lenders

The Small Business Administration has launched a dedicated online tool, [Lender Match](#), for small businesses and non-profits to be matched with Community Development Financial Institutions (CDFIs), Minority Depository Institutions (MDIs) and other smaller asset size lenders in the Paycheck Protection Program (PPP).

The forgivable PPP loan is emergency relief assistance aimed at sustaining businesses and keeping employees on payroll. Lender Match does not accept Economic Injury Disaster Loan applications.

Within two business days after entering their information into the Lender Match platform, a borrower receives an email from lenders who have been matched with them. The borrower can see lenders' requests for them to begin an application. Borrowers are then able to begin the application process directly from the email they receive.

Leads will only be forwarded to CDFIs and Lenders with less than \$10 billion in assets until the PPP program ends on June 30, at which time Lender Match will be open to all participating SBA Lenders.

Lender Match not only connects borrowers with accessing PPP loans, but also other SBA lending products, such as 7(a), 504, Microloans, and Community Advantage loans which are currently offering [debt relief](#).

*Source: SBA*

## CFPB updates Remittance Transfers compliance guide

The CFPB has released version 5.0 of its *Remittance Transfers Small Entity Compliance Guide*. This version includes the increase in the "safe harbor" exemption threshold from 100 to 500 remittance transfers in the prior and current calendar year, the sunset of the temporary conditional exception allowing insured depository institutions to disclose estimates, and the addition of two new permanent conditional exceptions allowing insured institutions to use estimates. The Bureau also designated this version of the Compliance Guide as a "Compliance Aid."

The latest version of the Compliance Guide is available on the CFPB's [Remittance Transfers Compliance and Guidance](#) webpage.

*Source: CFPB*

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## Important Technical Notice for Users of the OFAC Website and Sanctions List Data Files

The US Department of Treasury is initiating the annual renewal of the public certificate securing [www.treasury.gov](http://www.treasury.gov) website, including OFAC sanctions list downloads. The existing certificate (expiring July 10, 2020) will be replaced on June 25, 2020 at 9PM. This process will take roughly 3-6 hours for the replacement certificate to be distributed worldwide.

If your application pins or otherwise trusts the serial number of the existing certificate as part your application functionality, you may need to update your configuration to trust the renewed certificate. The renewed public certificate is effective June 25, 2020 at 9PM, and [must be downloaded](#). To prevent loss in functionality, please ensure your applications trust this certificate as soon as possible after the June 25th replacement date.

After the renewed certificate is deployed on June 25, you may view the renewed certificate publicly via [these instructions](#).

Please contact OFAC technical support at 1-800-540-6322 Option #8 or [O.F.A.C@treasury.gov](mailto:O.F.A.C@treasury.gov) with any questions that you may have about this change.

*Source: US Department of Treasury*

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## CFPB Issues Interpretive Rule on Method for Determining Underserved Areas

The Consumer Financial Protection Bureau (Bureau) recently issued an [interpretive rule](#) to provide guidance to creditors and other persons involved in the mortgage origination process about the way in which the Bureau determines which counties qualify as “underserved” for a given calendar year.

The Bureau’s annual [list of rural and underserved counties and areas](#) is used in applying various provisions under Regulation Z, which implements the Truth in Lending Act. These provisions include the exemption from the requirement to establish an escrow

account for a higher-priced mortgage loan and the ability to originate balloon-payment qualified mortgages and balloon-payment high cost mortgages.

Regulation Z states that an area is “underserved” during a calendar year if, according to Home Mortgage Disclosure Act (HMDA) data for the preceding calendar year, it is a county in which no more than two creditors extended covered transactions secured by first liens on properties in the county five or more times. The Bureau previously interpreted how HMDA data would be used to determine which areas meet this standard using a method set forth in the commentary to Regulation Z. However, portions of this method have become obsolete because they rely on data elements that were modified or eliminated by certain 2015 amendments to the Bureau’s HMDA regulations, which became effective in 2018.

The interpretive rule describes the HMDA data that will instead be used in determining that an area is “underserved” for purposes of the standard described in Regulation Z. This interpretation supersedes the outdated methodology set forth in the commentary to Regulation Z.

*Source: CFPB*

## Articles of Interest

- [CFPB issues QM proposals addressing GSE Patch expiration](#)
- [Taxpayer relief for distribution or loans from retirement plans \(IRS Notice 2020-50\)](#)
- [SBA Rolls Out Dedicated Tool for Small Businesses to Connect with CDFIs, Small Asset Lenders Participating in PPP](#)
- [CFPB Provides Guidance During COVID-19 Pandemic – Mortgage Servicing](#)

## CUNA's Advocacy Resources:

- [This week in Washington](#)
- [CUNA Advocacy Issues - COVID-19](#)

## Compliance Calendar

- June 30th, 2020: **Supplementing Data Security Requirements (Effective Date)**
- July 1st, 2020: **Regulation C – Home Mortgage Disclosure Act (HMDA)**
- July 1st, 2020: **Regulation CC – Monetary Limit Threshold Changes**
- July 3rd, 2020: **Independence Day - Federal Holiday**
- July 21st, 2020: **Remittance Transfers (Regulation E)**