

InfoSight Newsletter

December 17 - 31, 2021 | Volume 15 | Issue 48

Highlights



From the League InfoSight team, we wish you a wonderful holiday season and peace, joy, and prosperity in 2022!

Compliance and Advocacy News & Highlights

CFPB updates EFT/Reg E FAQs

The CFPB recently posted an update of its Compliance Aid, "[Electronic Fund Transfers FAQs](#)," including these topics:

- Coverage: Transactions (5 new or updated FAQs)
- Coverage: Financial Institutions (4 new or updated FAQs)
- Error Resolution (4 FAQs—2 new or updated)
- Error Resolution: Unauthorized EFTs (11 FAQs—5 new or updated)

Source: CFPB

FinCEN Seeks Input on Modernizing AML/CFT Regime

[FinCEN has issued a Request for Information](#) (RFI) seeking comments on ways to streamline, modernize, and update the anti-money laundering and countering the financing of terrorism (AML/CFT) regime of the United States. [FinCEN's news release](#) reported the agency is particularly interested in comments on ways to modernize risk-based AML/CFT regulations and guidance issued pursuant to the Bank Secrecy Act (BSA) so that they, on a continuing basis, protect U.S. national security in a cost-effective and efficient manner.

The RFI also supports FinCEN's efforts to conduct a formal review of BSA regulations and related guidance, which is required by Section 6216 of the Anti-Money Laundering Act of 2020. FinCEN will report to Congress the findings of the review, including administrative and legislative recommendations.

The [RFI is scheduled for publication](#) in the December 15, 2021, *Federal Register*. Comments will be accepted through February 14, 2022.

Source: FinCEN

Complete NCUA's Volunteer Credit Union Diversity Self-Assessment by January 15

Federally insured credit unions are invited to complete the [Voluntary Credit Union Diversity Self-Assessment](#) before January 15, 2022. The self-assessment is a valuable tool for credit unions that want to commit to the principles of diversity, equity, inclusion, and belonging.

The NCUA encourages all credit unions to use their self-assessment results to identify possible next steps in their DEI journey. These may include developing and implementing workforce diversity policies and practices in your credit union, diversifying your supplier base, and communicating your commitment to diversity and inclusion to the communities you serve. All data are aggregated and anonymously reported in the [Annual OMWI Report to Congress](#).

The Credit Union Diversity Self-Assessment is an excellent first step on the path from intention to action. The NCUA encourages all credit unions to complete the self-assessment and submit it by January 15.

Source: NCUA

CFPB Reports Finding Wide-Ranging Law Violations In 2021

The [CFPB announced](#) that its recently released [Fall 2021 Supervisory Highlights](#) report reveals legal violations identified in the Bureau's examinations in the first half of 2021. Key violations listing in the report include:

- Mortgage servicers charging improper fees, including late fees and default-related fees, to borrowers enrolled in CARES Act forbearance, and in some cases failed to refund fees until almost a year later.
- Violations of the Equal Credit Opportunity Act by mortgage lenders who discriminated against African American and female borrowers in the granting of pricing exceptions. In these cases, examiners found the lender lacked oversight and control over how loan officers granted pricing exceptions. Examiners also found lenders who improperly considered small business applicants' religion in their credit decisions. For religious institutions applying for small business loans, some lenders improperly utilized a questionnaire that contained explicit inquiries about an applicant's religion.
- Payday lenders improperly debiting or attempting to debit consumers' bank accounts. In some instances where consumers called to authorize a loan payment by debit card, lenders' systems erroneously indicated the transactions did not process, resulting in the improper debiting of additional, identical amounts or unauthorized attempts.
- Remittance transfer providers failing to investigate whether deductions imposed by some foreign banks constituted a fee that the institutions were required to refund to the sender as part of the error resolution process when a sender filed a claim that funds were not delivered to designated recipients by disclosed availability dates.

Source: CFPB

NCUA Awards \$100,000 in Mentoring Grants

The [NCUA announced in a recent press release](#) that it has awarded \$100,000 in grants to four minority depository institution credit unions to support mentoring programs with larger institutions.

“Advancing economic equity and justice is a goal that fully aligns with the credit union system’s mission of meeting the credit and savings needs of members, especially those of modest means,” NCUA Chairman Todd M. Harper said. “Through these mentoring grants, we can support credit unions with both the minority depository institution and low-income designations to improve performance, products, and services. In turn, these credit unions will be better able to provide safe, fair, and affordable financial services to their members.”

Source: NCUA

Articles of Interest:

- [How Credit Unions Can Differentiate with a Digital-First Strategy](#)
- [FTC Sends Third Round of Refunds in Coaching Scam](#)
- [How to Donate Wisely After a Disaster](#)
- [Special Charitable Tax Benefit Highlighted](#)

CUNA's Advocacy Resources:

- [Happenings in Washington \(Removing Barriers Blog\)](#)

WOCCU (World Council of Credit Unions Advocacy) Advocacy Resources:

- [Telegraph](#) – Current advocacy news world-wide.
- [Advocate Blog](#) – Check out recent updates!

Compliance Calendar

- *December 24th, 2021: Christmas Day - Federal Holiday (observed)*
- *December 27th, 2021: NCUA Chartering and FOM – Shared Facility Requirements*
- *December 31st, 2021: New Year's Day - Federal Holiday (observed)*
- *December 31st, 2021: Temporary Regulatory Relief in Response to COVID-19 – Extension (NCUA)*
- *January 1st, 2022: Risk-Based Capital (NCUA)*
- *January 1st, 2022: Amendments to Equal Credit Opportunity Act (Regulation B) Ethnicity and Race Information Collection (CFPB)*
- *January 1st, 2022: Annual Updates*
- *January 1st, 2022: Subordinated Debt (NCUA)*
- *January 1st, 2022: Regulation C – Home Mortgage Disclosure Act (HMDA)*