

InfoSight Newsletter

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Highlights

The 2022 League InfoSight User Survey is **Still Open!!**

The majority of our product enhancements are based on client feedback, and there is still time to give us your opinion! The annual survey helps us determine what new functionality is most important to you and your credit union employees! We would appreciate a few minutes of your time answering some questions and providing feedback.

[Click here to access the survey!](#)

CUPolicyPro • InfoSight • RecoveryPro

We want your opinion!



www.leagueinfosight.com/survey2022

Don't hesitate to help us improve our products!

New InfoSight Content!

As an example of how your suggestions help improve our products, we are happy to announce that a new topic: US Savings Bonds has been added to the Accounts Channel in InfoSight! Thank you to one of our League partners for the suggestion!

Compliance and Advocacy News & Highlights

Revised Interagency Q&As on Flood Insurance

Five federal agencies — the [Federal Reserve Board, Farm Credit Administration, FDIC, NCUA, and OCC](#) recently announced jointly issued [Questions and Answers Regarding Flood Insurance](#) (Q&As) on federal flood insurance law and the agencies' implementing regulations. These Q&As replace those originally published by the agencies in 2009 and 2011 and consolidate Q&As proposed by the agencies in 2020 and 2021. The revised Q&As reflect significant changes to the flood insurance requirements made by federal law in recent years.

The Q&As cover a broad range of technical flood insurance topics, including the escrow of flood insurance premiums, the detached structure exemption to the flood insurance purchase requirement, force placement procedures, and private flood insurance. In addition, the agencies reorganized the Q&As by topic to make it easier for users to find and review information related to flood insurance.

Source: OCC

National Illicit Finance Strategy For 2022

The [Treasury Department issued the 2022 National Strategy for Combatting Terrorist and Other Illicit Financing](#) (2022 Strategy), which identifies measures to increase transparency in the U.S. financial system and strengthen the U.S. anti-money laundering/counter the financing of terrorism (AML/CFT) framework. The 2022 Strategy, prepared pursuant to Sections 261 and 262 of the Countering America's Adversaries Through Sanctions Act (CAATSA), addresses the key risks from the [2022 National Money Laundering, Terrorist Financing, and Proliferation Financing risk assessments](#) and reflects the complex challenges posed by a world remade by the Covid-19 pandemic, the increasing digitization of financial services, and rising levels of corruption and fraud.

The 2022 risk assessments highlighted the illicit finance risk posed by the abuse of legal entities, the complicity of professionals that misuse their positions or businesses, small-sum funding of domestic violent extremism networks, the effective use of front and shell companies in proliferation finance, and the exploitation of the digital economy.

The four priority recommendations:

- Close legal and regulatory gaps in the U.S. AML/CFT framework that illicit actors exploit to anonymously access the U.S. financial system through the use of shell companies and all-cash real estate purchases
- Continue to make the U.S. AML/CFT regulatory framework for financial institutions more efficient and effective by providing clear compliance guidance, sharing information appropriately, and fully funding supervision and enforcement
- Enhance the operational effectiveness of law enforcement, other U.S. government agencies, and international partnerships in combating illicit finance so illicit actors can't find safe havens for their operations
- Enable the benefits of technological innovation while mitigating risks, staying ahead of new avenues for abuse presented by virtual assets and other new financial products, services, and activities

Source: Treasury Department

VA Amends Regs on Fiduciary Activities

[The Department of Veterans Affairs has published a final rule \[87 FR 29671\]](#) amending its regulations that govern fiduciary activities. The amendments revise specific procedures to exempt a VA-appointed fiduciary who is also serving as a court-appointed fiduciary from posting multiple bonds and to also exempt a VA-appointed fiduciary that is also a state agency with existing, state-mandated liability insurance or a blanket bond from having to obtain an additional bond payable to the Secretary of Veterans Affairs. The rule will become effective June 15, 2022.

Source: DVA

CFPB Wants Consistent Enforcement of Consumer Financial Protections

[CFPB Director Rohit Chopra posted a CFPB Blog article](#) to announce a new system for promoting consistent enforcement of consumer financial protections. The CFPB will issue *Consumer Financial Protection Circulars* to the broad set of government agencies responsible for enforcing federal consumer financial law, with guidance on how the CFPB intends to enforce federal consumer financial law.

The enforcers of federal consumer financial law include state attorneys general and state regulators, as well as federal financial regulators such as the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the National Credit Union Administration. Some federal consumer financial laws are also enforceable by other federal agencies, including the Department of Justice, the Federal Trade Commission, the Farm Credit Administration, the Department of Transportation, and the Department of Agriculture. In addition, some of these laws provide for private enforcement. The CFPB will also release *Consumer Financial Protection Circulars* publicly to increase transparency for the benefit of the public and regulated entities.

[Circular 2022-01](#), issued this week, describes the circulars as policy statements under the Administrative Procedures Act that will provide background information about applicable law, articulate considerations relevant to the CFPB's exercise of its authorities, and advise other parties with authority to enforce federal consumer financial law. The Director of the CFPB will authorize issuance of each *Consumer Financial Protection Circular*, and the CFPB will publish them on its website and in the *Federal Register*.

Source: CFPB

Fed Board Amends Rates in Regs A and D

The Federal Reserve Board has published final rules in a recent Federal Register amending Regulation A (Extensions of Credit by Federal Reserve Banks) and Regulation D (Reserve Requirements of Depository Institutions) to increase certain interest rates.

- The amendment to Regulation A reflects the Board's approval of a 0.5 percent increase (to 1.00 percent) in the rate for primary credit at each Federal Reserve Bank. The interest rate for secondary credit automatically increases by formula to 1.50 percent.
- The amendment to Regulation D revises the rate of interest paid on reserve balances ("IORB") maintained at Federal Reserve Banks by or on behalf of eligible institutions. The final amendments specify that IORB is 0.90 percent, a 0.50 percentage point increase from its prior level. The amendment is intended to enhance the role of IORB in maintaining the federal funds rate in the target range established by the Federal Open Market Committee.

Both amendments were effective May 16, 2022, and applicable as of May 5, 2022. (*Editor's Note: 'Reserve Requirements – Regulation D' has been updated in the **Accounts** channel in InfoSight to reflect this increase.*)

Source: Federal Reserve

Articles of Interest:

- [CFPB Provides Resources in Multiple Languages](#)
- [NASCUS Educational Events – Coming soon!](#)
- [NASCUS News – May 13, 2022 Issue](#)
- [NCUA and CDFI Fund Hosting Webinar on Community Development Resources for Credit Unions](#)

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

- May 16th, 2022: FRB – Regulation D – Interest on Reserve Balance Increase
- May 30th, 2022: **Memorial Day - Federal Holiday**
- June 20th, 2022: **Juneteenth National Independence Day - Federal Holiday (observed)**
- July 4th, 2022: **Independence Day - Federal Holiday**
- September 5th, 2022: **Labor Day - Federal Holiday**
- September 16th, 2022: **NACHA – Micro-Entry Rule – Phase I**

