

InfoSight Newsletter

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League InfoSight Highlights: Small Business Lending under the Equal Credit Opportunity Act

The CFPB has finally released the much-anticipated [small business lending rule](#) under the Equal Credit Opportunity Act (Regulation B). The final rule covers credit unions that originate over 100 covered small business loans per year (in each of the two preceding calendar years). If covered, the credit union will be required to submit data points to the CFPB on those loans. The good news is that loans that are reportable under HMDA will not need to be reported under the small business lending rule. Regulation B has also been updated with an Appendix E with a sample data collection form for credit unions to utilize in gathering the data points. Loan officers will not be required to make their own determination of an applicant's race, ethnicity, or any other demographic information as was originally proposed. Instead, they can rely on the information provided by those small businesses.

To determine the types of "covered credit transactions" that would be reported, the new rule leans on the definition of business credit under existing Regulation B, with certain exemptions. Transactions within the scope of the rule include loans, lines of credit, credit cards, merchant cash services, and credit products used for agricultural purposes.

The **effective date** for credit unions to start collecting data will depend on how many covered loans the credit union originates.

- **At least 2,500 (2022 and 2023) – October 1, 2024**
- **At least 500 and less than 2,500 (2022 and 2023) – April 1, 2025**
- **At least 100 and less than 500 covered originations (2022 and 2023) – January 1, 2026**

If the credit union originates less than 100 in 2022 and 2023, but over 100 in 2024 and 2025, the credit union has to start collecting data in 2026.

Be on the lookout for new articles and content in [InfoSight](#) and [CU PolicyPro](#) to help you comply with this new rule!

Glory LeDu
CEO, League InfoSight and CU Risk Intelligence

Compliance Spring Cleaning!

Spring has sprung and many people start their annual spring cleaning routine. This is great for your home, and it also a great practice for your compliance program! Here are a few questions to ask yourself:

- **First things first – Do you know how to access the compliance tools available to you?** Your league/association website is a great place to start! Be sure you know how to access the member-only areas of your league/association website to find out what is available. Many of the resources are free or deeply discounted as part of your affiliation membership. Be on the lookout for:
 - League/Association Compliance Helpline
 - InfoSight
 - CU PolicyPro
 - RecoveryPro
 - ComplySight and/or AffirmX

Some of the resources may require a subscription or an additional login, so if you're having trouble getting access contact your league/association compliance department or info@leagueinfosight.com for assistance.

- **Are the compliance resources reaching all areas of your credit union?** Of course compliance resources are great for the compliance team, but compliance touches every part of the credit union! *InfoSight* and *CU PolicyPro* have information and resources that would benefit your Board of Directors, front line staff, Marketing, Lending, HR, your supervisory committee, and more!
- **Review your policies and procedures.** All major policies are required to be reviewed annually. *CU PolicyPro* can help with quarterly content updates, tracked changes, assignment reviews, reports, and publishing. Keep an eye out for the next content update coming next week!
- **Review your BCP.** Your BCP (business continuity plan) should also be reviewed annually. Determine if you have had operational or staffing changes to be addressed, or if there are

external factors to consider, such as new regulations or environmental or building changes. RecoveryPro offers full BCP planning templates and a content management system that allows you to manage and distribute your plan content right within the system.



News and Alerts!

Home Mortgage Disclosure Act Data Collection Requirements for Calendar Year 2023

The NCUA issued a regulatory alert on Home Mortgage Disclosure Act (HMDA) data collection requirements for the 2023 calendar year.

If your credit union makes residential mortgage loans and meets all four criteria outlined below, you must comply with the Consumer Financial Protection Bureau's (CFPB) Regulation C, which implements the HMDA.

[Read More](#)

Resources for LID, MDI, and Small Credit Unions Webinar

The National Credit Union Administration will host an April 26 webinar to discuss the upcoming 2023 Community Development Revolving Loan Fund grant round and other topics of interest to small and MDI credit unions. The webinar is scheduled to begin at 2 p.m. Eastern and run approximately 75 minutes.

[Registration is now open for this webinar.](#)

[Read More](#)

CFPB Issues Guidance to Address Abusive Conduct in Consumer Financial Markets

The Consumer Financial Protection Bureau (CFPB) issued a policy statement that explains the legal prohibition on abusive conduct in consumer financial markets and summarizes over a decade of precedent. The CFPB leads enforcement and supervision efforts to identify and end abusive conduct against consumers. In 2010, in response to the financial crisis, Congress passed the Consumer Financial Protection Act, and created the prohibition on abusive conduct. The Act tasks the CFPB, federal banking regulators, and states with the responsibility to enforce the prohibition, and puts the CFPB in charge of administering it. The policy statement will assist consumer financial protection enforcers in identifying wrongdoing, and will help firms avoid committing abusive acts or practices.

[Read More](#)

Let us help ensure your policies, procedures
and content are all as fresh as Springtime.



Questions, Comments, Concerns? We are here to help! Email us at
info@leagueinfosight.com