



Capitol Comments

March 2019

When there is a deadline or effective date associated with an item, you will see this graphic: 

March is a month of expectation! – Emily Dickinson

Joint federal agency issuances, actions and news

Revisions to the Consolidated Reports of Condition and Income and Other Regulatory Reports (03.08.2019)



Summary: The banking agencies, under the auspices of the Federal Financial Institutions Examination Council (FFIEC), have finalized revisions to the Consolidated Reports of Condition and Income (Call Report) and certain other FFIEC reports that primarily address changes in the accounting for credit losses under the Financial Accounting Standards Board's Accounting Standards Update (ASU) 2016-13. Other revisions to these reports result from the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) and relate to the reporting of high volatility commercial real estate (HVCRE) exposures and reciprocal deposits. These revisions, which were issued for comment in September 2018, are subject to approval by the U.S. Office of Management and Budget.

Source [link](#).

Comment: These finalized revisions to the call report and certain other FFIEC reports mostly address changes because of the CECL accounting standards. Other revisions to the call report result from the passage of S. 2155. Those changes relate to the reporting of high-volatility commercial real estate (HVCRE) exposures and reciprocal deposits.

FFIEC CRA Alert – 2019 CRA Data Entry Software, Edits, and File Specifications (03.04.2019)



The [FFIEC CRA website](#) has recently been updated.

The [2019 CRA Data Entry Software Release](#), [2019 Edits](#) and [2019 File Specifications](#) are now available.

On behalf of the FFIEC, the Federal Reserve System designed the CRA Data Entry Software to assist respondents in automating the filing of their CRA data. The free software includes editing features to help verify and analyze the accuracy of the data. The data file created using this software, can be submitted by one of the available submission methods listed in the software.

For more information on using the FFIEC's CRA DES, refer to [DES frequently asked questions](#).

Source [link](#).

Implementation of the Current Expected Credit Losses Standard (02.25.2019)

On February 14, 2019, the Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System, and Federal Deposit Insurance Corporation (collectively, the agencies) published a final rule in the Federal Register to implement the Financial Accounting Standards Board's Accounting Standards Update (ASU) 2016-13, "Financial Instruments—Credit Losses," in the agencies' rules. The final rule conforms definitions in the agencies' capital and non-capital rules to the current expected credit losses (CECL) standard and provides an optional regulatory capital transition for banks that experience a decrease in capital as a result of adopting the CECL standard.

The final rule -

- updates references in the agencies' risk-based capital rules to conform with the new terminology used in ASU 2016-13.
- updates references to allowances in the OCC's non-capital regulations to conform with the new terminology used in ASU 2016-13.
- provides an option to elect a three-year regulatory capital transition under the risk-based capital rules for banks that experience a capital decrease as a result of implementing ASU 2016-13.

Source [link](#).

Comment: Many community banking associations are still trying to raise the possibility of taking community banks out of the CECL regime.

FFIEC Policy Statement on the Report of Examination (03.06.2019)

The Federal Financial Institutions Examination Council (FFIEC) recognizes effective communication is a critical component of the financial institution supervision process. One key method of supervisory communication is the report of examination (ROE), which documents the findings and conclusions of an examination conducted by an agency represented on the FFIEC, including information relating to the institution's financial condition, risk profile, and risk management practices. The FFIEC members acknowledge that the ROE should evolve to address changes to the financial institution supervision process, advances in technology, changes in the banking industry, and industry feedback. To address the evolving nature of the ROE, the FFIEC members are issuing this policy statement, and the federal banking agencies are rescinding their 1993 Interagency Policy Statement on the Uniform Core Report of Examination (1993 Policy Statement).

Source [link](#).

Comment: In the Policy Statement, the FFIEC explicitly rescinds and replaces the 1993 Interagency Policy Statement on the Uniform Core Report of Examination. The Policy Statement is the latest in a series of FFIEC announcements related to its Examination Modernization Project, which was launched to identify and assess ways to improve the effectiveness, efficiency and quality of examination processes, particularly through the use of technology, and to reduce unnecessary regulatory burden on community financial institutions.

Prepaid Accounts Rule: Interagency Consumer Compliance Examination Procedures (02.22.2019)

Summary: The FDIC adopted revised interagency examination procedures to incorporate the Consumer Financial Protection Bureau's (CFPB) amendments to Regulation E and Regulation Z. The examination procedures may be helpful to financial institutions seeking to better understand how FDIC examiners will evaluate an institution's compliance with these regulations.

Highlights:

FDIC examiners will use the updated interagency examination procedures to evaluate financial institutions' compliance with amended Regulation E and Regulation Z for prepaid accounts, effective April 1, 2019.

On October 3, 2016, the CFPB published its Final Rule for Prepaid Accounts to create comprehensive consumer protections for prepaid accounts. Specifically, the Rule expanded coverage of Regulation E to apply to prepaid accounts, established disclosure standards for prepaid accounts, and classified prepaid accounts that offer covered credit features as "hybrid prepaid-credit cards" subject to Regulation Z.

Subsequent amendments to the Final Rule were made addressing error resolution and limited liability on prepaid accounts where the bank has not completed its customer identification and verification; application of the rule's credit-related provisions to digital wallets that are capable of storing funds; and other clarifications and minor updates. The effective date for the Final Rule is April 1, 2019.

The FDIC and other member agencies of the Federal Financial Institutions Examination Council developed the new procedures to ensure consistent application of these regulatory changes.

The updated interagency examination procedures reflect the 2016 Final Rule and all subsequent updates.

Source [link](#).

Comment: Examiners will utilize the revised interagency examination procedures to assess financial institutions' compliance with amended Regulation E and Regulation Z.

CFPB actions and news

Upcoming webinar: Suspicious Activity Reports on Elder Financial Exploitation—New Findings and Implications (03.14.2019)

Join issue experts from the Consumer Financial Protection Bureau's Office for Older Americans for a free webinar highlighting the findings from its new report, [Suspicious Activity Reports on Elder Financial Exploitation: Issues and Trends](#). The webinar will provide key facts, trends, and patterns revealed in these Suspicious Activity Reports—or SARs—filed by banks, credit unions, money transmitters, and other financial services providers. Presenters will discuss the implications of these findings and next steps.

Key audiences for this webinar include financial institutions, law enforcement, prosecution, adult protective services, the aging network, and others working to enhance protections for older adults. CFPB's first-ever public analysis provides a chance to better understand elder fraud and find ways to improve prevention and response.

Please RSVP to: olderamericans@cfpb.gov

Webinar Details:

Date: April 9, 2019

Time: 2:00 – 3:00pm EST

Source [link](#).

Comment: With the increased attention to elder abuse in recent amendments to many state laws, as well as the emphasis on training in S. 2155, this webinar is an important resource for banks.

Consumer Financial Protection Bureau Announces 18th Edition of Supervisory Highlights (03.12.2019)

WASHINGTON, D.C. — The Consumer Financial Protection Bureau (Bureau) released its 18th edition of Supervisory Highlights. The report covers Bureau supervision activities generally completed between June 2018 and November 2018, and includes examination findings in the areas of automobile loan servicing, deposits, mortgage servicing, and remittances.

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Bureau is authorized to supervise banks and credit unions with more than \$10 billion in assets, as well as certain nonbanks.

The report shares information regarding general supervisory and examination findings and the Bureau's supervisory program, but does not impose any new or different legal requirements than those in relevant laws and regulations. The information is disseminated to help institutions better understand how the Bureau examines institutions for compliance.

The latest edition of Supervisory Highlights is available at:

https://files.consumerfinance.gov/f/documents/cfpb_supervisory-highlights_issue-18_032019.pdf

Source [link](#).

Comment: Of particular interest, the reported examinations identified unfair acts or practices for charging consumers unauthorized amounts, deceptive acts or practices for misrepresenting aspects of private mortgage insurance cancellation, and violation(s) of Regulation X loss mitigation requirements.

Upcoming Webinar: The Latest Version of Money Smart for Older Adults in Spanish is Now Available (03.11.2019)

Join issue experts from the Consumer Financial Protection Bureau (CFPB) and the Federal Deposit Insurance Corporation (FDIC) for a free webinar introducing the [Spanish version of the new edition of Money Smart for Older Adults: Prevent Financial Exploitation \(MSOA\)](#).

The MSOA educational program is a free, easy-to-use resource for older people, caregivers, and service providers, produced by the FDIC and the Bureau. The updated edition includes new topics and fresh graphics to help older adults and their caregivers recognize and prevent fraud, scams, and other types of elder financial exploitation.

The session will also cover other Bureau resources that are available in Spanish.

Please RSVP to: olderamericans@cfpb.gov

Webinar Details:

Date: March 21, 2019

Time: 2:00 – 3:30pm EST

Source [link](#).

Comment: These materials can be helpful in financial literacy efforts as part of a bank's community services.

Data Provides First Industry-Wide Look at Mortgages to Servicemembers (03.05.2019)

The Bureau just released the latest quarterly consumer credit trends report, which focused on mortgages made to first-time homebuying servicemembers.

When buying a house, servicemembers have the option of taking out a home loan guaranteed by the U.S. Department of Veterans Affairs (VA). VA-guaranteed home loans differ from other mortgages in several ways including allowing a purchase with no down payment and without mortgage insurance and providing stronger loan-servicing protections than many other mortgages.

The report analyzes data from the Bureau's Consumer Credit Panel (CCP) supplemented with data on military service. It offers a unique look at the mortgage choices and outcomes of servicemembers who bought homes between 2006 and 2016.

Source [link](#).

Consumer Financial Protection Bureau Issues Advance Notice of Proposed Rulemaking on Property Assessed Clean Energy Financing (03.04.2019)

The Consumer Financial Protection Bureau (Bureau) issued an Advance Notice of Proposed Rulemaking (ANPR) on residential Property Assessed Clean Energy (PACE) financing.

"Today's action is the next step in the Bureau's efforts to implement the Economic Growth, Regulatory Relief and Consumer Protection Act as expeditiously as possible," said CFPB Director Kathleen L. Kraninger. "I look forward to reviewing the comments in response to the questions we are asking to facilitate the required rulemaking."

The Economic Growth, Regulatory Relief, and Consumer Protection Act, signed into law in May 2018, directed the Bureau to prescribe certain regulations for PACE financing.

The Bureau will consider the information it receives in response to the ANPR to develop a Notice of Proposed Rulemaking. The information solicited will enable the Bureau to better understand the market and unique nature of PACE financing. This will help the Bureau formulate proposed regulations that not only would achieve statutory objectives but also would reflect a careful consideration of costs and benefits.

Source [link](#).

Comment: PACE lending is only available on commercial transactions in some states, and then only with a prior lienholder's consent. Be sure to check your state laws.

Financial Institutions Report Widespread Elder Financial Abuse (02.27.2019)

Financial institutions are seeing vast numbers of their older customers fall prey to financial exploitation by perpetrators ranging from offshore scammers to close family members. They're filing hundreds of thousands of reports with the federal government about these suspicions.

We released a report about key facts, trends, and patterns revealed in these Suspicious Activity Reports—or SARs—filed by banks, credit unions, money transmitters, and other financial services providers. We analyzed 180,000 SARs filed with the Financial Crimes Enforcement Network (FinCEN) from 2013 to 2017. This first-ever public analysis provides a chance to better understand elder fraud and to find ways to improve prevention and response.

Read our blog to learn more and read the full [report](#) .

Source [link](#).

Comment: Older adults ages 70 to 79 lost on average \$43,300. And when the older adult knew the suspect, the average loss was even larger – about \$50,000.

CFPB Announces System for Prepaid Issuers to Submit Account Agreements (02.27.2019)

The Consumer Financial Protection Bureau (Bureau) announced a streamlined electronic submission system for prepaid account issuers to submit their account agreements to the Bureau. Prepaid issuers can register for the system now before the April 1, 2019 effective date of the Bureau's prepaid rule.

The Bureau's prepaid rule includes a requirement that prepaid account issuers submit their prepaid account agreements, including fee information, to the Bureau. Beginning now, prepaid account issuers can [register](#) for [Collect](#), the Bureau's online channel for submissions. All prepaid account agreements offered as of April 1, 2019 must be uploaded to Collect by May 1, 2019. After that, prepaid account issuers must make a submission to the Bureau within 30 days whenever a new agreement is offered, a previously submitted agreement is amended, or a previously submitted agreement is no longer offered.

Along with the opening of the system for registration, the Bureau is also releasing a variety of compliance materials for prepaid issuers including a user guide, a quick reference guide, FAQs, and a recorded webinar. These resources are available at: <https://www.consumerfinance.gov/data-research/prepaid-accounts/>

Source [link](#).

Comment: The CFPB's prepaid rule was adopted in 2016 and revised in January 2018. The 2016 final rule set requirements for treatment of funds on lost or stolen cards, error resolution and investigation, upfront fee disclosures, access to account information, and overdraft features if offered in conjunction with prepaid accounts.

FDIC actions and news

State Profiles Fourth Quarter 2018 (03.14.2019)

The Fourth Quarter 2018 FDIC [State Profiles](#) are now available online. The FDIC State Profiles are formatted as a quarterly data sheet summation of economic and banking conditions for all fifty states, Puerto Rico, and the Virgin Islands. They are available in PDF format.

The FDIC also recently released the Fourth Quarter 2018 [Quarterly Banking Profile](#) (QBP), which provides aggregate financial results for all FDIC-insured institutions.

Source [link](#).

FDIC's Subcommittee on Supervision Modernization for the Advisory Committee on Community Banking Holds its Inaugural Meeting (03.06.2019)

The inaugural meeting of the Federal Deposit Insurance Corporation's (FDIC) Subcommittee on Supervision Modernization took place in Washington, D.C.

The subcommittee was established to support the FDIC's Advisory Committee on Community Banking by considering how the FDIC can leverage technology and refine processes to make the examination program more efficient, while managing and training a geographically dispersed workforce.

"I am grateful to the subcommittee members for taking the time from their extremely busy schedules to play a vital role in the continued evolution of the FDIC, by informing the agency's efforts in modernizing our supervisory examination process," said FDIC Chairman Jelena McWilliams. "Their diverse backgrounds will help the FDIC identify new ways to improve the examination program and promote transparency, accountability, and efficiency in our operations."

The initial two-day meeting will consist of an overview of the FDIC and its structure, a discussion of the current bank examination program, and a review of existing technology and data sources relied on to conduct examinations.

The subcommittee will meet in person at least three times in 2019, with possible conference calls or smaller group briefings scheduled to supplement in-person discussions.

Attachment:

[Subcommittee Member Bios](#)

Source [link](#).

FDIC Unveils New Resources During National Consumer Protection Week 2019 (03.04.2019)

In observance of National Consumer Protection Week (NCPW), March 3–9, the Federal Deposit Insurance Corporation (FDIC) unveiled new resources to help consumers understand their rights and make well-informed decisions about money.

The FDIC has added a new, online [Information and Support Center](#) to the agency's existing educational resources. Consumers can use the Center to easily check the status of inquiries or complaints they have made about a financial institution. Also included is a new [FDIC Knowledge Center](#), which provides easy-to-find answers to questions about banking and lending.

During NCPW, the FDIC also will be posting on its Twitter feed (@FDICgov). The tweets will include some of the Knowledge Center's questions and answers each weekday (starting March 4).

In addition, the FDIC will be posting [a quiz](#) that consumers can use year-round to test their knowledge of money management.

The FDIC is proud to join other state and federal agencies in observing National Consumer Protection Week.

For more information about the FDIC's educational programs and services for consumers, start at our home page or call 1-877-ASK-FDIC (1-877-275-3342).

Source [link](#).

FDIC Encourages Consumers to Set Financial Goals and Learn More about Options for Saving

America Saves Week is February 25 - March 2, 2019 (02.22.2019)

The Federal Deposit Insurance Corporation (FDIC) encourages consumers to use America Saves Week as an opportunity to evaluate their short- and long-term financial goals and learn more about how banks can help achieve them.

"During America Saves Week, the FDIC encourages consumers to expand their financial knowledge, set clear savings goals and strong savings habits, and learn how to better manage their money," said FDIC Chairman Jelena McWilliams. "Whether it's opening your first savings account, starting an emergency fund, or preparing for college costs, a new home purchase, or retirement, banks offer a safe place to put money for day-to-day needs and to save for the future."

The FDIC offers a wide range of financial education resources free-of-charge to consumers, financial institutions, and other organizations interested in supporting savings during America Saves Week or any time.

[Money Smart](#), the FDIC's award-winning financial education program, is available in various formats [instructor-led, podcast (audio), and self-paced online] and includes special guides and other tools targeted to young people, adults, older adults, and even small-business owners.

[FDIC Consumer News](#) is a free online publication that offers tips and information on a variety of financial topics, including how to save more and how to ensure that your deposits are fully protected by FDIC insurance.

The FDIC's [Youth Banking Network](#) helps financial institutions partner with schools and nonprofit organizations to teach financial education and offer students an opportunity to open a savings account — many for the first time.

The FDIC also works with banks and other organizations to bring more low- and moderate-income Americans into the financial mainstream by improving access to safe, secure and affordable banking services.

America Saves Week is a nationwide campaign that runs between February 25 and March 2, 2019, and encourages people, particularly those who are financially vulnerable, to save money to reduce debt and build wealth. For more information about America Saves Week and savings-related resources from the FDIC, visit www.fdic.gov/deposit/deposits/savings.html.

Source [link](#).

Comment: Almost a quarter of Americans say they don't have anything saved for an emergency fund. Studies have shown that when an individual starts savings in childhood they continue the habit into adulthood.

FDIC-Insured Institutions Report Net Income of \$59.1 Billion in Fourth Quarter 2018 (02.21.2019)

Net Income Rises \$33.8 Billion Over Fourth Quarter 2017

Higher Net Operating Revenue and Lower Income Tax Expenses Lift Net Income

Community Banks Net Income Increases \$2.7 Billion from a Year Earlier

Net Interest Income Increases 8.1 Percent from a Year Earlier

Total Loan and Lease Balances Rise 4.4 Percent Over 12 Months

Full-Year 2018 Net Income Grows to \$236.7 Billion

Number of “Problem Banks” Drops to 60

"The banking industry continued to report strong results, and the FDIC is actively monitoring economic conditions to ensure banks remain resilient." — FDIC Chairman Jelena McWilliams

Source [link](#).

Comment: The 4,979 insured institutions identified as community banks reported net income of \$6.8 billion in the fourth quarter, up \$2.7 billion (65.1 percent) from a year ago. Excluding the benefits of a lower effective tax rate, estimated fourth quarter net income would have increased by 11.2 percent from a year ago. Net operating revenue was up \$1.4 billion to \$24.3 billion, due to increases in both net interest income and noninterest income. Loan-loss provisions declined 10.4 percent, and noninterest expenses increased 3.6 percent compared with a year earlier. A word of caution from FDIC Chairman Jelena McWilliams, “Low interest rates and an increasingly competitive lending environment have led some institutions to reach for yield, and the recent flattening of the yield curve may present new challenges in lending and funding. Therefore, banks must maintain prudent management of these risks in order to support lending through this economic cycle.”

Assessments and Community Bank Leverage Ratio (02.21.2019)

The Federal Deposit Insurance Corporation (FDIC) invites public comment on a notice of proposed rulemaking (NPR or proposal) that would amend its deposit insurance assessment regulations to apply the community bank leverage ratio (CBLR) framework to the deposit insurance assessment system. The FDIC, the Board of Governors of the Federal Reserve System (Federal Reserve) and the Office of the Comptroller of the Currency (OCC) (collectively, the Federal banking agencies) recently issued an interagency proposal to implement the community bank leverage ratio (the CBLR NPR). Under this proposal, the FDIC would assess all banks that elect to use the CBLR framework (CBLR banks) as small banks. Through amendments to the assessment regulations and corresponding changes to the Consolidated Reports of Condition and Income (Call Report), CBLR banks would have the option of using either CBLR tangible equity or tier 1 capital for their assessment base calculation, and using either the CBLR or the tier 1 leverage ratio for the Leverage Ratio that the FDIC uses to calculate an established small bank's assessment rate. Through this NPR, the FDIC also would clarify that a CBLR bank that meets the definition of a custodial bank would have no change to its custodial bank deduction or reporting items required to calculate the deduction; and the assessment regulations would continue to reference the prompt corrective action (PCA) regulations for the definitions of capital categories used in the deposit insurance assessment system, with technical amendments to align with the CBLR NPR. To assist banks in understanding the effects of the NPR, the FDIC plans to provide on its website an assessment estimation tool that estimates deposit insurance assessment amounts under the proposal.

Source [link](#).

Comment: The proposed rule also clarifies that the assessment regulations would continue to reference the prompt corrective action regulations for the definitions of capital categories used in the deposit insurance assessment system, with technical amendments to align with the community bank leverage ratio proposal.

OCC actions and news

OCC Hosts Ohio Workshop for Board Directors and Bank Management (02.25.2019)

WASHINGTON — The Office of the Comptroller of the Currency (OCC) will host a workshop in Cincinnati, Ohio, at the Kingsgate Hotel and Conference Center, April 9-10, for directors, senior management team members, and other key executives of national community banks and federal savings associations supervised by the OCC.

The Building Blocks: Keys to Success for Directors and Senior Management workshop combines lectures, discussion, and exercises to provide practical information on the roles and responsibilities of board participation. Taught by seasoned OCC supervision staff, the workshop focuses on duties and core responsibilities of directors and management, discusses major laws and regulations, and increases familiarity with the examination process.

The workshop fee is \$99. Participants receive course materials, assorted supervisory publications, and lunch. The workshop is limited to the first 35 registrants.

The workshop is one of 24 offered nationwide to enhance and expand the skills of national community bank and federal savings association directors. To register for this workshop, visit www.occ.gov/occworkshops.

Source [link](#).

Financial Literacy Update March/April 2019 (03.04.2019)

The Office of the Comptroller of the Currency (OCC)'s Financial Literacy Update is a bimonthly e-newsletter that reports upcoming financial literacy events, new initiatives, and related resources of the OCC and other government agencies and organizations.

Financial Literacy Update provides brief descriptions and Web links for events in chronological order. It lists new initiatives and resources (with Web links) in alphabetical order. We welcome your feedback.

Have an upcoming literacy event, new tool, or product? Please e-mail us at communityaffairs@occ.treas.gov. Online versions of Financial Literacy Update are available at www.occ.gov/flu.

Source [link](#).

Federal Reserve actions and news

Industrial Production and Capacity Utilization - G.17 (03.15.2019)

Industrial production edged up 0.1 percent in February after decreasing 0.4 percent in January. Manufacturing production fell 0.4 percent in February for its second consecutive monthly decline. The index for utilities rose 3.7 percent, while the index for mining moved up 0.3 percent. At 109.7 percent of its 2012 average, total industrial production was 3.5 percent higher in February than it was a year earlier. Capacity utilization for the

industrial sector edged down 0.1 percentage point in February to 78.2 percent, a rate that is 1.6 percentage points below its long-run (1972–2018) average.

Source [link](#).

Comment: Capacity utilization measures actual output as a percentage of potential output. If an industry is above 80 percent capacity, it usually signals expansion.

Federal Reserve Announces Seventh Triennial Study to Examine U.S. Payments Usage (03.14.2019)

Beginning this month, financial institutions and payments organizations will receive invitations to participate in the seventh triennial Federal Reserve Payments Study, the Federal Reserve announced. Based on survey data provided by participants, past reports from the studies have documented substantial change in the aggregate volume and composition of noncash payments in the United States since 2000. Recent reports have also revealed dynamic changes in aggregate payments fraud, automated teller machine withdrawals, and payment authentication methods, among other topics.

"The U.S. payments system has changed dramatically since 2000, and the Federal Reserve Payments Study has served as an aggregate benchmark for the payments industry, policymakers, and the public," said Mary Kepler, senior vice president of the Federal Reserve Bank of Atlanta and the study's executive sponsor. "Robust industry support and respondents' willingness to participate is paramount to our ability to publish timely, accurate, and high quality results."

The 2019 Federal Reserve Payments Study will administer two surveys, each contributing valuable information required to obtain robust estimates of totals and developing trends in the number and value of payments made with checks, cards, electronic transfers, and various alternative payment initiation methods and systems for calendar year 2018:

A survey of the commercial banks, savings institutions, and credit unions that process the majority of payments in this country.

A survey of payment card networks, third-party payment processors, issuers of private-label cards, and providers of various alternative payment initiation methods and systems.

The Federal Reserve will work with McKinsey & Company and Blueflame Consulting, LLC to conduct this research study. Only aggregate estimates are reported, and all survey data reported by participants remains strictly confidential.

Data from previous implementations of the Federal Reserve Payments Study are available at <https://www.federalreserve.gov/paymentsystems/fr-payments-study.htm>.

Source [link](#).

G.19 Consumer Credit (03.07.2019)

In January, consumer credit increased at a seasonally adjusted annual rate of 5 percent. Revolving credit increased at an annual rate of 3 percent, while nonrevolving credit increased at an annual rate of 6 percent.

[Consumer Credit Outstanding](#)

[Levels](#)

[Flows](#)

Source [link](#).

Comment: Consumer credit represents loans for households, financing consumer purchases of goods and services, and refinancing existing consumer debt. Secured and unsecured loans are included, except those secured with real estate (such as mortgages and home equity loans and lines). While omitted from the report, home equity loans and home equity lines of credit are an important vehicle for providing financing for consumers who have equity in their homes.

March Beige Book (03.06.2019)

Commonly known as the Beige Book, this report is published eight times per year. Each Federal Reserve Bank gathers anecdotal information on current economic conditions in its District through reports from Bank and Branch directors and interviews with key business contacts, economists, market experts, and other sources. The Beige Book summarizes this information by District and sector. An overall summary of the twelve district reports is prepared by a designated Federal Reserve Bank on a rotating basis.

Source [link](#).

Comment: The Fed's Beige Book, which contains anecdotal information from business contacts throughout the Federal Reserve's 12 districts, showed that 10 Fed regions saw 'slight-to-moderate growth.' The St. Louis and Philadelphia Fed banks reported 'flat economic conditions.' Half of the Fed's districts saw the government shutdown dampen economic activity in a broad range of sectors, including retail, auto sales, tourism, real estate and restaurants. Factories expressed concerns about weakening global demand and trade uncertainties.

Advance Notice of Proposed Rulemaking Seeking Public Comment on Whether to Amend Regulation D to Lower Certain Interest Rates Paid on Balances at Federal Reserve Banks (03.06.2019)

The Federal Reserve Board invited public comment on whether it should propose amendments to its Regulation D (Reserve Requirements of Depository Institutions) to lower the rate of interest paid on excess balances ("IOER") maintained at Reserve Banks by eligible institutions that hold a very large proportion of their assets in the form of balances at Reserve Banks.

As set forth in the advance notice of proposed rulemaking, these narrowly focused depository institutions ("Pass-Through Investment Entities" or "PTIEs") could attract a very large quantity of deposits from institutional investors, yet at the same time avoid the costs borne by other depository institutions, such as the costs of capital requirements and the other elements of federal regulation and supervision, because of the limited scope of their product offerings and asset types. The advance notice of proposed rulemaking requests comment on the potential benefits and potential costs associated with the presence of such institutions in the U.S. financial system and their receipt of IOER on their balances at a Reserve Bank.

Comments are due within sixty days after the date of publication of the ANPR in the Federal Register, which is expected shortly.

Source [link](#).

Comment: The Fed is particularly concerned about the impact of PTIEs on how the Fed implements monetary policy and the possibility that they could disrupt financial intermediation “in ways that are hard to anticipate” and negatively affect financial stability.

Other federal action and news

New Protections Available for Minors Under 16 (03.11.2019)

Young people now have more protection from identity theft and fraud, thanks to a new federal law that went into effect September 21st, 2018. The new law lets parents and child welfare representatives of people under 16, as well as legal guardians, request a security freeze, also called a credit freeze, on their behalf. Taking this step can help protect a young person from identity theft and fraud – and it’s free.

Source [link](#).

Comment: If the nationwide credit reporting agencies don’t have a file on a child, they will create one so they can freeze it. This record can’t be used for credit purposes. It’s there just to make sure the child’s record is frozen and protected against identity theft and fraud.

Notice of Proposed Rulemaking: Overtime Update (03.07.2019)

The Department of Labor announced a proposed rule that would make more than a million more American workers eligible for overtime.

Under currently enforced law, employees with a salary below \$455 per week (\$23,660 annually) must be paid overtime if they work more than 40 hours per week. Workers making at least this salary level may be eligible for overtime based on their job duties. This salary level was set in 2004.

This proposal would boost the proposed standard salary level to \$679 per week (equivalent to \$35,308 per year). Above this salary level, eligibility for overtime varies based on job duties.

In developing the proposal, the Department received extensive public input from six in-person listening sessions held around the nation and more than 200,000 comments that were received as part of a 2017 Request for Information (RFI). Commenters who participated in response to the RFI or who participated at a listening session overwhelmingly agreed that the currently enforced salary and compensation levels need to be updated.

The NPRM includes:

The proposal increases the minimum salary required for an employee to qualify for exemption from the currently-enforced level of \$455 to \$679 per week (equivalent to \$35,308 per year).

The proposal increases the total annual compensation requirement for “highly compensated employees” (HCE) from the currently-enforced level of \$100,000 to \$147,414 per year.

A commitment to periodic review to update the salary threshold. An update would continue to require notice-and-comment rulemaking.

Allowing employers to use nondiscretionary bonuses and incentive payments (including commissions) that are paid annually or more frequently to satisfy up to 10 percent of the standard salary level.

No changes overtime protections for non-management employees in maintenance, construction and similar occupations such as carpenters, electricians, mechanics, plumbers, iron workers, craftsmen, operating engineers, longshoremen, and construction workers as well as a laundry list of jobs not related to banking.

No changes to the job duties test.

No automatic adjustments to the salary threshold.

The Department will consider all timely comments in developing a final rule.

Source [link](#).

Comment: The salary increase is significantly lower than the revision adopted under the Obama administration. In addition to raising the minimum salary requirements, the proposed rule discusses DOL's intention to propose updates to the earnings thresholds every four years, as opposed to automatic updating of this threshold. The proposed rule also allows employers to use nondiscretionary bonuses and incentive payments to satisfy up to 10 percent of the standard salary level, although DOL is specifically seeking comment on whether the proposed ten percent cap is appropriate.

FTC Blog Phishing: Don't Take the Bait (03.06.2019)

Phishing is when someone uses fake emails or texts – even phone calls – to get you to share valuable personal information, like account numbers, Social Security numbers, or your login IDs and passwords. Scammers use this information to steal your money, your identity, or both. They may also try to get access to your computer or network. If you click on a link in one of these emails or texts, they can install ransomware or other programs that lock you out of your data and let them steal your personal information.

Source [link](#).

Comment: Phishing is one of the most common methods that hackers use to attempt to gain access to sensitive information. More than 90 percent of data breaches start with a phishing attack.

FTC Seeks Comment on Proposed Amendments to Safeguards and Privacy Rules (03.05.2019)

The Federal Trade Commission is seeking comment on proposed amendments to two rules that protect the privacy and security of customer information held by financial institutions.

In separate notices to be published in the Federal Register shortly, the FTC is seeking comment on proposed changes to the Safeguards Rule and the Privacy Rule under the Gramm-Leach-Bliley Act. The Safeguards Rule, which went into effect in 2003, requires a financial institution to develop, implement, and maintain a comprehensive information security program. The Privacy Rule, which went into effect in 2000, requires a financial institution to inform customers about its information-sharing practices and allow customers to opt out of having their information shared with certain third parties.

“We are proposing to amend our data security rules for financial institutions to better protect consumers and provide more certainty for business,” said Andrew Smith, Director of the FTC’s Bureau of Consumer Protection. “While our original groundbreaking Safeguards Rule from 2003 has served consumers well, the proposed changes are informed by the FTC’s almost 20 years of enforcement experience. It also shows that, where we have rulemaking authority, we will exercise it as necessary to keep up with marketplace trends and respond to technological developments.”

Source [link](#).

Comment: *The proposed rule amendment will more clearly define the requirements for information security programs under the Safeguards Rule and the Privacy Rule under the Gramm-Leach-Bliley Act.*

Publications, articles, reports, studies, testimony & speeches

Speech by Governor Brainard on the Community Reinvestment Act: How Can We Preserve What Works and Make It Better? (03.12.2019)

'It is a pleasure to have an opportunity to discuss how we can preserve what is working well with the Community Reinvestment Act (CRA) and make it better.¹ In recent months, we have seen a high level of engagement from banks and community organizations in discussions and comments about revising the CRA regulations, which serves as testament to the value of the CRA and provides valuable suggestions for improving our regulatory approach. The one message that comes through most clearly is that the CRA is highly valued by bankers and community groups alike. A second message is that the CRA could be even more effective in mobilizing community and economic development.'

Source [link](#).

Comment: *Statement from Comptroller of the Currency Joseph Otting regarding Interagency action on CRA reform, "My preference 110 percent is to be able to do things jointly,' but 'I have a responsibility to the banks to which we regulate and the communities across America that are beneficiaries of CRA."*

Brief Remarks - Chair Jerome H. Powell at the 'Just Economy Conference' (03.11.2019)

'I know that you all are very interested in the agencies' activities related to possible revisions to the current CRA regulations. My colleague, Governor Brainard, who represents the Board in our interagency CRA discussions, will be speaking to you tomorrow, so I will leave it to her to discuss our efforts in detail. But I do want to express my support for an interagency effort to revise the regulations to promote clarity and consistency in our evaluations of banks, particularly in light of the changes in the way bank products and services are delivered. We value the CRA's role in meeting the credit needs of low- and moderate-income neighborhoods and want to be very careful that any revisions serve to strengthen the CRA's purpose.'

Source [link](#).

Chair Jerome H. Powell - Monetary Policy: Normalization and the Road Ahead (03.08.2019)

'Thank you for the opportunity to speak here today at the Stanford Institute for Economic Policy Research, a place dedicated to scholarship supporting policies to better peoples' lives. As today is International Women's Day, I would like to preface my remarks by commending the American Economic Association for highlighting the diversity challenges of the economics profession and charting a way forward. Diversity is also a priority at the Fed: I want the Fed to be known within the economics profession as a great place for women, minorities, and others of diverse backgrounds to be respected, listened to, and happy.'

Source [link](#).

Comment: Barring an unexpected inflation surprise, the general consensus is that the Fed will continue to be patient and not raise rates. The Federal Open Market Committee held target interest rates at a range of 2.25 to 2.50 percent and indicated there would be no further rate hikes this year.

Governor Lael Brainard - Navigating Cautiously (03.07.2019)

'While our economy continues to add jobs at a solid pace, demand appears to have softened against a backdrop of greater downside risks. Prudence counsels a period of watchful waiting--especially with no signs that inflation is picking up. With balance sheet normalization now well advanced, it will be appropriate to wind down asset redemptions later in the year.'

Source [link](#).

Speech by Vice Chair Clarida on the Federal Reserve's Review of its Monetary Policy Strategy, Tools, and Communication Practices (02.22.2019)

'I am pleased to participate in this year's U.S. Monetary Policy Forum, which, since its inception, has brought together policymakers, academics, and market participants to share ideas and perspectives on U.S. monetary policy. Today I would like to discuss the broad review of the Federal Reserve's monetary policy framework that we are undertaking this year. We will examine the policy strategy, tools, and communication practices that we use to pursue our dual-mandate goals of maximum employment and price stability. In my remarks, I will describe the motivation for and scope of this review and will preview some of the events we are planning as part of it.¹ The U.S. Monetary Policy Forum is an excellent venue for this presentation. For more than a decade, it has focused attention and timely analysis on critical issues confronting the Federal Open Market Committee (FOMC). Its programs have drawn on the latest economic research and considered a range of views. Similarly, the Federal Reserve's review of its monetary policy framework will be transparent, will be open minded, and will seek perspectives from a broad range of interested individuals and groups, including academics, other specialists, and the public at large.'

Source [link](#).

Semiannual Monetary Policy Report to the Congress - Chairman Jerome H. Powell (02.26.2019)

'Good morning. Chairman Crapo, Ranking Member Brown, and other members of the Committee, I am happy to present the Federal Reserve's semiannual Monetary Policy Report to the Congress.

Let me start by saying that my colleagues and I strongly support the goals Congress has set for monetary policy--maximum employment and price stability. We are committed to providing transparency about the Federal Reserve's policies and programs. Congress has entrusted us with an important degree of independence so that we can pursue our mandate without concern for short-term political considerations. We appreciate that our independence brings with it the need to provide transparency so that Americans and their representatives in Congress understand our policy actions and can hold us accountable. We are always grateful for opportunities, such as today's hearing, to demonstrate the Fed's deep commitment to transparency and accountability.

Today I will review the current economic situation and outlook before turning to monetary policy. I will also describe several recent improvements to our communications practices to enhance our transparency.'

Source [link](#).

The Economic Effects of the Marijuana Industry in Colorado (02.28.2019)

By Alison Felix, Economist and Branch Executive, Federal Reserve Bank of Kansas City – Denver Branch.

Source [link](#).

Comment: Interesting read. One Colorado county in 2018 reported \$23 million in added costs to legalization – including law enforcement and social services – but that same county still ended up with a net positive impact of more than \$35 million. As the industry continues to grow, the complexities of banking cannabis need to be resolved at the federal level.

Selected federal rules – proposed

Proposed rules are included only when community banks may want to comment. Date posted may not be the same as the Federal Register Date.

PROPOSED DATE	SUMMARY OF PROPOSED RULE
02.22.2109	Assessments - The Federal Deposit Insurance Corporation (FDIC) invites public comment on a notice of proposed rulemaking (NPR or proposal) that would amend its deposit insurance assessment regulations to apply the community bank leverage ratio (CBLR) framework to the deposit insurance assessment system. The FDIC, the Board of Governors of the Federal Reserve System (Federal Reserve) and the Office of the Comptroller of the Currency (OCC) (collectively, the Federal banking agencies) recently issued an interagency proposal to implement the community bank leverage ratio (the CBLR NPR). Under this proposal, the FDIC would assess all banks that elect to use the CBLR framework (CBLR banks) as small banks. Through amendments to the assessment regulations and corresponding changes to the Consolidated Reports of Condition and Income (Call Report), CBLR banks would have the option of using either CBLR tangible equity or tier 1 capital for their assessment base calculation, and using either the CBLR or the tier 1 leverage ratio for the Leverage Ratio that the FDIC uses to calculate an established small bank's assessment rate. Through this NPR, the FDIC also would clarify that a CBLR bank that meets the definition of a custodial bank would have no change to its custodial bank deduction or reporting items required to calculate the deduction; and the assessment regulations would continue to reference the prompt corrective action (PCA) regulations for the definitions of capital categories used in the deposit insurance assessment system, with technical amendments to align with the CBLR NPR. To assist banks in understanding the effects of the NPR, the FDIC plans to provide on its website an assessment estimation tool that estimates deposit insurance assessment amounts under the proposal. Comments are due 04.22.2019.
02.08.2019	Regulatory Capital Rule: Capital Simplification for Qualifying Community Banking Organizations - The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (Board), and the Federal Deposit Insurance Corporation (FDIC) are inviting public comment on a notice of proposed rulemaking (proposal) that would provide for a simple measure of capital adequacy for certain community banking organizations, consistent with section 201 of the Economic Growth, Regulatory Relief, and Consumer Protection Act. Under the proposal, most depository institutions and depository institution holding companies that have less than \$10 billion in total consolidated assets, that meet risk-based qualifying criteria, and that have a community bank leverage ratio (as defined in the proposal) of greater than 9 percent would be eligible to opt into a community bank leverage ratio framework. Such banking organizations that elect to use the community bank leverage ratio and that maintain a community bank leverage ratio of greater than 9 percent would not be subject to other risk-based and leverage capital requirements and would be considered to have met the well capitalized ratio requirements for purposes of section 38 of the Federal Deposit Insurance Act and regulations implementing that section, as applicable, and the generally applicable capital requirements under the agencies' capital rule. Comments are due 04.19.2019.
02.06.2019	Unsafe and Unsound Banking Practices [Brokered Deposits] - The Federal Deposit Insurance Corporation (FDIC) is undertaking a comprehensive review of the regulatory approach to brokered deposits and the interest rate caps applicable to banks that are less than well capitalized. Since the statutory brokered deposit restrictions were put in place in 1989, and amended in 1991, the financial services industry has seen significant changes in technology, business models, and products. In addition, changes to the economic environment have raised a number of issues relating to the interest rate restrictions. A key part of the FDIC's review is to seek public comment through this Advance Notice of Proposed Rulemaking (Notice) on the impact of these changes. The FDIC will carefully consider comments received in response to this Notice in determining what actions maybe warranted. Comments are due 05.07.2019.

02.06.2019 [Payday, Vehicle Title, and Certain High-Cost Installment Loans](#) - The Bureau of Consumer Financial Protection has issued this final rule to create consumer protections for certain consumer credit products. The rule has two primary parts. First, for short-term and longer-term loans with balloon payments, the Bureau is identifying it as an unfair and abusive practice for a lender to make such loans without reasonably determining that consumers have the ability to repay the loans according to their terms. The rule generally requires that, before making such a loan, a lender must reasonably determine that the consumer has the ability to repay the loan. The Bureau has exempted certain short-term loans from the ability-to-repay determination prescribed in the rule if they are made with certain consumer protections. Second, for the same set of loans and for longer-term loans with an annual percentage rate greater than 36 percent that are repaid directly from the consumer's account, the rule identifies it as an unfair and abusive practice to attempt to withdraw payment from a consumer's account after two consecutive payment attempts have failed, unless the lender obtains the consumer's new and specific authorization to make further withdrawals from the account. The rule also requires lenders to provide certain notices to the consumer before attempting to withdraw payment for a covered loan from the consumer's account. On February 6, 2019, the Bureau issued two proposed rules to rescind the mandatory underwriting provisions of the rule and to delay the August 19, 2019 compliance date for those provisions to November 19, 2020. Comments are due 05.15.2019.

Selected federal rules – upcoming effective dates

Not all final rules are included. Only rules affecting community banks are reported, but we make no guarantees that these are all the final rules your bank needs to know.

EFFECTIVE

DATE: SUMMARY OF FINAL RULE:

01.01.2019	Regulatory Capital Rules: Retention of Certain Existing Transition Provisions for Banking Organizations That Are Not Subject to Advanced Approaches Capital Rules . The Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation (collectively, the agencies) are adopting a final rule to extend the regulatory capital treatment applicable during 2017 under the regulatory capital rules (capital rules) for certain items. These items include regulatory capital deductions, risk weights, and certain minority interest limitations. The relief provided under the final rule applies to banking organizations that are not subject to the capital rules' advanced approaches (non-advanced approaches banking organizations). Specifically, for these banking organizations, the final rule extends the current regulatory capital treatment of mortgage servicing assets, deferred tax assets arising from temporary differences that could not be realized through net operating loss carrybacks, significant investments in the capital of unconsolidated financial institutions in the form of common stock, non-significant investments in the capital of unconsolidated financial institutions, significant investments in the capital of unconsolidated financial institutions that are not in the form of common stock, and common equity tier 1 minority interest, tier 1 minority interest, and total capital minority interest exceeding the capital rules' minority interest limitations. Under the final rule, advanced approaches banking organizations continue to be subject to the transition provisions established by the capital rules for the above capital items. Therefore, for advanced approaches banking organizations, their transition schedule is unchanged, and advanced approaches banking organizations are required to apply the capital rules' fully phased-in treatment for these capital items beginning January 1, 2018.
03.06.2019	Limited Exception for a Capped Amount of Reciprocal Deposits from Treatment as Brokered Deposits - The FDIC is amending its regulations that implement brokered deposits and interest rate restrictions to conform with recent changes to section 29 of the Federal Deposit Insurance Act made by section 202 of the Economic Growth, Regulatory Relief, and Consumer Protection Act related to reciprocal deposits, which took effect on May 24, 2018. The FDIC is also making conforming amendments to the FDIC's regulations governing deposit insurance assessments.
04.01.2019	CFPB - Final Rule: Rules Concerning Prepaid Accounts Under the Electronic Fund Transfer Act (Regulation E) and the Truth in Lending Act (Regulation Z) - Summary: The Bureau of Consumer Financial Protection (Bureau) is amending Regulation E, which implements the Electronic Fund Transfer Act, and Regulation Z, which implements the Truth in Lending Act, and the official interpretations to those regulations. This rulemaking relates to a final rule published in the Federal Register on November 22, 2016, as amended on April 25, 2017, regarding prepaid accounts under Regulations E and Z. The Bureau is finalizing modifications to several aspects of that rule, including with respect to error resolution and limitations on liability for prepaid accounts where the financial institution has not successfully completed its consumer identification and verification process; application of the rule's credit-related provisions to digital wallets that are capable of storing funds; certain other clarifications and minor adjustments; technical corrections; and an extension of the overall effective date to April 1, 2019.
04.01.2019	Three-Year Regulatory Capital Phase in for New Current Expected Credit Losses (CECL) - The Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation (collectively, the agencies) are adopting a final rule to address changes to credit loss accounting under U.S. generally accepted accounting principles, including banking organizations' implementation of the current expected credit losses methodology (CECL). The final rule provides banking organizations the option to phase in over a three-year period the day-one adverse effects on regulatory

capital that may result from the adoption of the new accounting standard. In addition, the final rule revises the agencies' regulatory capital rule, stress testing rules, and regulatory disclosure requirements to reflect CECL, and makes conforming amendments to other regulations that reference credit loss allowances. The final rule is effective on April 1, 2019. Banking organizations may early adopt this final rule prior to that date.

- 04.17.2019 [Disclosure of Financial and Other Information by FDIC-Insured State Nonmember Banks](#) -The Federal Deposit Insurance Corporation (FDIC) is amending its regulations by rescinding and removing its regulations entitled Disclosure of Financial and Other Information By FDIC-Insured State Nonmember Banks. Upon the removal of the regulations, all insured state nonmember banks and insured state-licensed branches of foreign banks (collectively, “banks”) would no longer be subject to the annual disclosure statement requirement set out in the existing regulations. The financial and other information that has been subject to disclosure by individual banks under the regulations is publicly available through the FDIC's website.
- 07.01.2019 [Loans in Areas Having Special Flood Hazards \(Private Insurance\)](#) - The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (Board), the Federal Deposit Insurance Corporation (FDIC), the Farm Credit Administration (FCA), and the National Credit Union Administration (NCUA) are amending their regulations regarding loans in areas having special flood hazards to implement the private flood insurance provisions of the Biggert-Waters Flood Insurance Reform Act of 2012 (Biggert-Waters Act). Specifically, the final rule requires regulated lending institutions to accept policies that meet the statutory definition of “private flood insurance” in the Biggert-Waters Act; and permits regulated lending institutions to exercise their discretion to accept flood insurance policies issued by private insurers and plans providing flood coverage issued by mutual aid societies that do not meet the statutory definition of “private flood insurance,” subject to certain restrictions.
- 08.19.2019 [Payday, Vehicle Title, and Certain High-Cost Installment Loans](#) - The Bureau of Consumer Financial Protection (Bureau or CFPB) is issuing this final rule establishing regulations creating consumer protections for certain consumer credit products and the official interpretations to the rule. First, the rule identifies it as an unfair and abusive practice for a lender to make covered short-term or longer-term balloon-payment loans, including payday and vehicle title loans, without reasonably determining that consumers have the ability to repay the loans according to their terms. The rule exempts certain loans from the underwriting criteria prescribed in the rule if they have specific consumer protections. Second, for the same set of loans along with certain other high-cost longer-term loans, the rule identifies it as an unfair and abusive practice to make attempts to withdraw payment from consumers' accounts after two consecutive payment attempts have failed, unless the consumer provides a new and specific authorization to do so. Finally, the rule prescribes notices to consumers before attempting to withdraw payments from their account, as well as processes and criteria for registration of information systems, for requirements to furnish and obtain information from them, and for compliance programs and record retention. The rule prohibits evasions and operates as a floor leaving State and local jurisdictions to adopt further regulatory measures (whether a usury limit or other protections) as appropriate to protect consumers. Effective Date: This regulation is effective January 16, 2018. Compliance Date: Sections 1041.2 through 1041.10, 1041.12, and 1041.13 have a compliance date of August 19, 2019. A federal court granted the Bureau of Consumer Financial Protection's request to delay the effective date of its rule on small-dollar loans. The decision delays the August 2019 compliance date.
- 11.24.2019 [Sec. 106 of Economic Growth, Regulatory Relief, and Consumer Protection Act titled 'Eliminating barriers to jobs for loan originators.'](#) - Section 106 allows certain state-licensed mortgage loan originators (MLOs) who are licensed in one state to temporarily work in another state while waiting for licensing approval in the new state. It also grants MLOs who move from a depository institution (where loan officers do not need to be state licensed) to a non-depository institution (where they do need to be state licensed) a grace period to complete the necessary licensing.

Common words, phrases, and acronyms

APOR	“Average Prime Offer Rates” are derived from average interest rates, points, and other pricing terms offered by a representative sample of creditors for mortgage transactions that have low-risk pricing characteristics.
CFPB	Consumer Financial Protection Bureau
CARD Act	Credit Card Accountability Responsibility and Disclosure Act of 2009
CFR	Code of Federal Regulations . Codification of rules and regulations of federal agencies.

CRA	Community Reinvestment Act . This Act is designed to encourage loans in all segments of communities.
CRE	Commercial Real Estate
CSBS	Conference of State Bank Supervisors
CTR	Currency Transaction Report . Filed for each deposit, withdrawal, exchange of currency that involves a transaction in currency of more than \$10,000.
Dodd-Frank Act	The Dodd–Frank Wall Street Reform and Consumer Protection Act
DOJ	Department of Justice

FDIC	Federal Deposit Insurance Corporation
EFTA	Electronic Fund Transfer Act
Federal bank regulatory agencies	FDIC, FRB, and OCC
Federal financial institution regulatory agencies	BFCP, FDIC, FRB, NCUA, and OCC
FEMA	Federal Emergency Management Agency
FFIEC	Federal Financial Institutions Examination Council
FHFA	Federal Housing Finance Agency
FHA	Federal Housing Administration
FinCEN	Financial Crime Enforcement Network
FR	Federal Register . U.S. government daily publication that contains proposed and final administrative regulations of federal agencies.
FRB, Fed or Federal Reserve	Federal Reserve Board
FSOC	Financial Stability Oversight Council
FTC	Federal Trade Commission
GAO	Government Accountability Office
HARP	Home Affordable Refinance Program
HAMP	Home Affordable Modification Program
HMDA	Home Mortgage Disclosure Act
HOEPA	Home Ownership and Equity Protections Act of 1994
HPML	Higher Priced Mortgage Loan

HUD	U.S. Department of Housing and Urban Development
IRS	Internal Revenue Service
MLO	Mortgage Loan Originator
MOU	Memorandum of Understanding
NFIP	National Flood Insurance Program . U.S. government program to allow the purchase of flood insurance from the government.
NMLS	National Mortgage Licensing System
OCC	Office of the Comptroller of the Currency
OFAC	Office of Foreign Asset Control
OREO	Other Real Estate Owned
QRM	Qualified Residential Mortgage
Reg. B	Equal Credit Opportunity
Reg. C	Home Mortgage Disclosure
Reg. DD	Truth in Savings
Reg. E	Electronic Fund Transfers
Reg. G	S.A.F.E. Mortgage Licensing Act
Reg. P	Privacy of Consumer Financial Information
Reg. X	Real Estate Settlement Procedures Act
Reg. Z	Truth in Lending
RESPA	Real Estate Settlement Procedures Act
SAR	Suspicious Activity Report – Report financial institutions file with the U.S. government (FinCEN) regarding activity that may be criminal in nature.
SDN	Specially Designated National
TILA	Truth in Lending Act
TIN	Tax Identification Number
Treasury	U.S. Department of Treasury

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