



Capitol Comments

December 2018

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

“December's wintry breath is already clouding the pond, frosting the pane, obscuring summer's memory...” — John Geddes, A Familiar Rain

Joint federal agency issuances, actions and news

FFIEC HMDA Alert- HMDA Platform available for beta testing (12.14.2018)

The FFIEC announced the beta launch of the HMDA Platform for data collected in 2018. The beta release provides financial institutions an opportunity to become familiar with the HMDA Platform and, in particular, determine whether their sample LAR data complies with the reporting requirements outlined in the Filing Instructions Guide for HMDA data collected in 2018.

The beta version of the HMDA Platform will allow financial institutions to establish log-in credentials, or use log-in credentials from the 2017 filing period; upload sample 2018 HMDA files and perform validation on their data; receive confirmation that their test data was submitted; and conclude the test HMDA filing process. The Bureau will continue to add functionality to the HMDA platform during the beta test period.

During the beta period, financial institutions may test and retest 2018 HMDA data files as often as desired. All test data uploaded during the beta period will be removed from the system when the filing period opens in January 2019.

In order to use the beta version of the HMDA Platform as well as to file HMDA data collected in 2018, financial institutions must have a Legal Entity Identifier (LEI) which uniquely identifies the institution, and that LEI must be recognized by the HMDA Platform in order to create a new account or test data with an existing account. If your institution has an LEI, and that LEI is not currently recognized by the HMDA Platform, please fill out and submit [this form](#) to have the information added to the HMDA Platform. If your institution has not registered for an LEI and intends to file HMDA data collected in 2018, visit the [Global LEI Foundation](#) for information on obtaining an LEI.

Check out the beta version of the HMDA Platform: <https://ffiec.beta.cfpb.gov/filing/2018/>

For questions related to registering for an account on the HMDA Platform, please fill out [this form](#). For other questions and feedback, contact HMDAHelp@cfpb.gov.

Source [link](#).

Comment: Community banks will benefit from testing now whether LAR data complies with the reporting requirements. No 2018 data can be submitted through the platform until January 2019.

Bank Secrecy Act: Interagency Statement on Innovative Efforts to Combat Money Laundering and Terrorist Financing (12.03.2018)

The Federal Deposit Insurance Corporation, along with the other Federal depository institution regulators and the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued a joint statement to encourage depository institutions to consider, evaluate, and, where appropriate, responsibly implement innovative approaches to meet their Bank Secrecy Act/anti-money laundering (BSA/AML) compliance obligations in order to strengthen the financial system against illicit financial activity.

The FDIC and the other agencies recognize that private sector innovation, including new ways of using existing tools or adopting new technologies, can help banks identify and report money laundering, terrorist financing, and other illicit financial activity by enhancing the effectiveness and efficiency of banks' BSA/AML compliance programs.

The FDIC and the other agencies will not penalize or criticize banks that maintain effective BSA/AML compliance programs commensurate with their risk profiles but choose not to pursue innovative approaches.

Banks must continue to meet their BSA/AML compliance obligations, as well as ensure the ongoing safety and soundness of the bank, when developing pilot programs and other innovative approaches.

The FDIC and the other agencies are open to engaging with bank management to discuss pilot programs for innovative BSA/AML approaches.

Suggested Routing:

Chief Executive Officer

BSA Compliance Officer

Related Topics:

Bank Secrecy Act

Anti-Money Laundering

Counter-Terrorist Financing

Attachments:

[Interagency Statement on Innovative Efforts to Combat Money Laundering and Terrorist Financing](#)

Source [link](#).

Comment: The statement expressed the agencies' recognition "that private sector innovation, including new ways of using existing tools or adopting new technologies, can help banks identify and report money laundering, terrorist financing, and other illicit financial activity by enhancing the effectiveness and efficiency of banks' BSA/AML compliance programs." Although we don't see how this will benefit most

community banks, it does seem to open the door to more innovative use of AI to perform risk assessments and to investigate suspicious transactions.

Regulatory Capital Rule: Capital Simplification for Qualifying Community Banking Organizations

(11.21.2018) 

The federal banking agencies jointly have issued a notice of proposed rulemaking (NPR or proposal) which would provide for an optional, simplified measure of capital adequacy for qualifying community banking organizations, consistent with Section 201 of the Economic Growth, Regulatory Relief, and Consumer Protection Act. The NPR will be published in the Federal Register with a 60-day comment period.

Highlights:

The community bank leverage ratio (CBLR) would provide material regulatory relief to qualifying community banking organizations by providing the option to calculate a simple on-balance sheet leverage ratio to measure capital adequacy. Banks using the CBLR would complete a simpler reporting schedule, which the agencies intend to propose at a later date.

The CBLR would be calculated as the ratio of CBLR tangible equity, as defined in the proposal, divided by average total consolidated assets.

A qualifying community banking organization would be defined as having less than \$10 billion in total consolidated assets and with limited amounts of off-balance sheet exposures, trading assets and liabilities, mortgage servicing assets, and temporary difference deferred tax assets (qualifying criteria).

A qualifying community banking organization may opt into the CBLR framework if its CBLR is greater than 9 percent.

A banking organization that opts into the CBLR (CBLR bank), and has a CBLR greater than 9 percent, would not be subject to other capital and leverage requirements and would be considered to have met the well-capitalized ratio requirements under the prompt corrective action (PCA) framework and the generally applicable capital requirements.

A CBLR bank that ceases to meet any qualifying criteria in a future period would have a grace period of two reporting periods to satisfy the CBLR qualifying criteria or comply with the generally applicable capital requirements.

For a CBLR bank whose CBLR falls to 9 percent or less, the proposal establishes additional CBLR levels as proxies for the existing capital ratios for the adequately capitalized, undercapitalized, and significantly undercapitalized PCA capital categories.

Suggested Routing:

Chief Executive Officer

Chief Financial Officer

Chief Risk Officer

Related Topics:

Capital Adequacy of FDIC-Supervised Institutions, 12 CFR Part 324 (Regulatory Capital Rules)

Attachment:

[Capital Simplification for Qualifying Community Banking Organizations](#)

Source [link](#).

Comment: This proposal still leaves a lot to be desired! First, if the ratio is 9%, most banks will give themselves a little wiggle room and apply 9.5%--particularly in light of the short time frame to return to 9%. Also, the grace period is simply too short. Banks that are involved in mergers or that have significant swings (e.g. public funds in and out) need more time to recover.

Reduced Reporting for Covered Depository Institutions (11.20.2018) 

On November 19, 2018, the federal banking agencies published the attached Notice of Proposed Rulemaking (NPR) that would implement Section 205 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (the Act) by: (1) expanding the eligibility to file the agencies' most streamlined report of condition, the FFIEC 051 Call Report, to include certain insured depository institutions with less than \$5 billion in total consolidated assets that meet other criteria; and (2) establishing the FFIEC 051 Call Report as the version of the Call Report that provides reduced reporting for the first and third calendar quarters of a year. The agencies also are proposing to reduce the amount of data required to be reported in the FFIEC 051 Call Report for the first and third calendar quarters and make other related changes to this Call Report.

Highlights:

Section 205 of the Act amends Section 7(a) of the Federal Deposit Insurance Act to require the FDIC and other federal banking agencies to issue regulations to allow for reduced reporting for a "covered depository institution" when it "makes the first and third report of condition for a year," i.e., its Call Reports for March 31 and September 30.

The FDIC is proposing to define "covered depository institution" as an FDIC-supervised institution with less than \$5 billion in total assets that meets the following criteria: (1) has no foreign offices; (2) is not an advanced approaches institution for regulatory capital purposes; (3) is not treated as a "large" or "highly complex" institution for deposit insurance assessment purposes; and (4) is not a state-licensed insured branch of a foreign bank.

In addition, the agencies are proposing to reduce the reporting frequency of certain existing data items in the FFIEC 051 Call Report for the first and third calendar quarters for all institutions filing this report.

Under the proposal, the agencies also would incorporate a limited number of data items currently reported in the FFIEC 041 Call Report into the FFIEC 051 Call Report. These data items would be applicable only to certain institutions with \$1 billion or more in total assets.

Comments on the NPR must be received by January 18, 2019.

Suggested Routing:

Chief Financial Officer

Chief Accounting Officer

Call Report Preparer

Related Topics:

Attachment:

[Federal Register Notice, November 19, 2018](#)

Source [link](#).

Comment: This proposal has a long way to go to truly provide relief!

BCFP actions and news

BCFP Report - Financial Well-being of Older Americans (12.13.2018)

The Bureau's Office of Financial Protection for Older Americans released a new report, Financial Well-being of Older Americans. This report provides detailed information on the financial well-being scores by individual characteristics and issues of interest to people who work with older adults.

The report relies on data from a Bureau survey that measures financial well-being among older adults using the financial well-being scale. The scale, which the Bureau released in 2015, provides a comprehensive measure of a person's financial situation. Since its release, many professionals are using the scale to understand and assess the financial well-being of their clients.

Source [link](#).

Comment: The key findings of the report (which included age, individual characteristics, employment and retirement, housing, family and living arrangements, debt and health) were identified through results from the agency's 2017 National Financial Well-Being Survey (fielded in 2016).

BCFP Releases New Videos to Helps Financial Caregivers Share Their Stories (11.29.2018)

Millions of Americans are managing money or property for a family member or friend who is unable to make financial decisions or pay bills. Serving as a financial caregiver can be tough, so the Bureau of Consumer Financial Protection created the Managing Someone Else's Money guides for four different financial caregiving roles: agents under [power of attorney](#), [guardians of property](#), [trustees](#), and [Social Security or VA representative payees](#).

It released a new video that shares the experiences of two caregivers helping a loved one manage their money. Watch the video and order your copies of the Managing Someone Else's Money guides at consumerfinance.gov/msem.

Source [link](#).

Comment: Consider using this resource as part of your bank's community service activities.

FDIC actions and news

FDIC Updates Affordable Mortgage Lending Guide Information on Federal Agencies and Government Sponsored Enterprises (12.06.2018)

The FDIC has updated the Affordable Mortgage Lending Guide, Part I: Federal Agencies and Government Sponsored Enterprises to reflect the most up-to-date information available about the mortgage products offered through federal housing programs, Fannie Mae and Freddie Mac.

Highlights:

The [Affordable Mortgage Lending Guide, Part I: Federal Agencies and Government Sponsored Enterprises](#) is designed as a resource for community banks to gain an overview of a variety of products, compare different products, and identify next steps to expand or initiate a mortgage lending program.

The publication describes federal programs that support home purchase, refinance, manufactured housing, and some home improvement lending by banks. It covers programs that are targeted to a variety of communities and individuals including rural, Native American, low- and moderate-income, and veterans.

Updates to the publication include:

Revises the [Program Matrix](#);

Updates the Quick Links to [Federal Agencies and Government Sponsored Enterprises Programs & Products](#);

Removes FHA Refinance of Borrowers in Negative Equity Positions (Short Refinance);

Student loan debt is updated in FHA, Fannie Mae, and Freddie Mac programs;

Adds two new products: Fannie Mae MH Advantage™ and Freddie Mac HomeOneSM;

Adds Duty to Serve in Fannie Mae and Freddie Mac Overviews; and

Updates the following products:

FHA Property Improvement Loan Insurance;

FHA Manufactured Home Loan Insurance;

FHA Streamline Refinance;

FHA 203(k) Rehabilitation Mortgage Insurance;

USDA Single Family Housing Guaranteed Loan Program;

USDA Single Family Housing Direct Loans;

Fannie Mae HomeReady™ Mortgage;

Fannie Mae HomeStyle® Renovation Mortgage; and

Freddie Mac Home Possible and removes Home Possible Advantage.

Changes can be found online at the FDIC's [Affordable Mortgage Lending Center](#).

The Affordable Mortgage Lending Guide also includes [Part II: State Housing Finance Agencies](#) and [Part III: Federal Home Loan Banks](#).

To receive notices of updates to the Affordable Mortgage Lending Center, subscribe at <https://service.govdelivery.com/accounts/USFDIC/subscriber/new>.

Suggested Routing:

Chief Executive Officer

Chief CRA Officer

Chief Lending Officer

Source [link](#).

FDIC Issues an Update to its Publication Entitled Applying for Deposit Insurance – A Handbook for Organizers of De Novo Institutions, Finalizes its Deposit Insurance Applications Procedures Manual, and Establishes a Designated Applications Mailbox (12.06.2018)

The FDIC issued an update to its publication entitled Applying for Deposit Insurance – A Handbook for Organizers of De Novo Institutions, and is issuing its Deposit Insurance Applications Procedures Manual in final form. The handbook, which was developed to facilitate the process of establishing new banks, was originally issued on December 22, 2016. The manual was issued for public comment on July 10, 2017 and provides comprehensive instruction to staff regarding the deposit insurance application process. The mailbox provides an additional channel for interested parties to ask questions of designated applications specialists.

Highlights:

The handbook addresses the informational needs of organizers of de novo institutions. It offers information for navigating the phases of establishing an insured institution: pre-filing activities, the application process, and pre-opening activities.

The manual provides comprehensive instruction to staff regarding the deposit insurance application process. It addresses pre-filing activities, application review and acceptance, application processing, pre-opening activities, and post-opening considerations, among other important items.

The handbook and manual do not establish new policy or guidance or modify existing policy or guidance. The publications, however, provide organizers and the public with transparency and clarity about the FDIC's process for reviewing and approving applications for deposit insurance.

The update to the handbook and finalization of the manual reflect technical edits from their prior publicly released versions, and clarifications on pertinent topics.

The FDIC also established a designated Applications Mailbox (ApplicationsMailbox@fdic.gov) as an additional means by which bankers, applicants, and other interested parties may pose questions regarding a specific application or the application process.

Interested parties should continue to submit comments regarding pending applications subject to the Community Reinvestment Act or other public comment through the FDIC's website (www5.fdic.gov/cra/).

Additional resources are available on the FDIC website dedicated to [applications for deposit insurance](#).

Suggested Routing:

Chief Executive Officer

Chief Financial Officer

Related Topics:

[12 CFR Part 303 \(Subparts A and B\)](#)

[FDIC Statement of Policy on Applications for Deposit Insurance - Effective October 1, 1998](#)

[Guidance Related to the FDIC Statement of Policy on Applications for Deposit Insurance](#)

Attachments:

[Applying for Deposit Insurance – A Handbook for Organizers of De Novo Institutions](#)

[Procedures Manual on Deposit Insurance Applications](#)

Source [link](#).

FDIC Re-Issues its Processing Timeframe Guidelines for Applications, Notices, and Other Requests (12.06.2018)

The FDIC is re-publishing its timeframe guidelines for processing applications, notices, requests, and other filings (collectively, "filings") submitted on behalf of existing and proposed institutions and other parties.

Highlights:

- The FDIC established timeframe guidelines for processing filings submitted on behalf of institutions and other parties.
 - The FDIC's goal is to act promptly on each filing, while allowing appropriate time for review and evaluation.
 - Publishing the timeframe guidelines supports the FDIC's goal to have transparency with respect to the way that it processes filings.
- A list of filing types and the processing timeframe guidelines are posted to the FDIC's website at: www.fdic.gov/regulations/applications/.
 - The timeframe guidelines apply to filings processed by Regional Offices under delegated authority. Decisions on nearly 95 percent of all filings submitted to the FDIC are made at the Regional Offices.
 - These timeframe guidelines do not apply to filings that:
 - Raise legal or policy issues;
 - Establish or change FDIC policy;
 - Could attract unusual attention or publicity; or
 - Involve an issue of first impression
 - Filings that have been subject to a protest under the Community Reinvestment Act or involve a site with historic or environmental significance also may require additional processing time.

Contact the appropriate FDIC Regional Office for additional information. Contact information can be found at: www.fdic.gov/about/contact/directory/ .

The FDIC is rescinding FIL-26-96, entitled Application Processing Time Lines.

Suggested Routing:

Chief Executive Officer

Chief Financial Officer

Related Topics:

[Part 303 of the FDIC Rules and Regulations – Filing Procedures](#)

[Part 307 – Certification of Assumption of Deposits and Notification of Changes of Insured Status](#)

[Part 308 – Rules of Practice and Procedure](#)

[Part 324 – Capital Adequacy of FDIC-Supervised Institutions](#)

[Part 390 – Regulations Transferred from the Office of Thrift Supervision](#)

[Sections 8\(a\), 8\(e\), 8\(p\), and 8\(q\) of the Federal Deposit Insurance Act](#)

[Supplemental Guidance Related to the FDIC Statement of Policy on Applications for Deposit Insurance, FIL-24-2016, dated April 6, 2016](#)

[Revised Guidelines for Appeals of Material Supervisory Determinations, FIL-42-2017, dated September 6, 2017](#)

[Process for Determining If An Institution Subject to Interest-Rate Restrictions is Operating in a High-Rate Area, FIL-69-2009, dated December 4, 2009](#)

Source [link](#).

FDIC Requests Information on the Deposit Insurance Application Process (12.06.2018)

The Federal Deposit Insurance Corporation (FDIC) announced that it is seeking comments from interested parties on all aspects of the deposit insurance application process. The request is part of the FDIC's efforts to enhance transparency, efficiency, and accountability.

Highlights:

The FDIC is responsible for maintaining stability and public confidence in the nation's financial system by insuring deposits, examining and supervising financial institutions for safety and soundness and consumer protection, making large and complex financial institutions resolvable, and managing receiverships.

As part of this mission, the FDIC grants deposit insurance to newly formed institutions and to operating institutions that are not currently insured.

In addition to requesting information regarding any steps the FDIC can take to improve the deposit insurance application process, the Request for Information also solicits information regarding any aspect of the application process that discourages potential applicants from initiating or completing the process.

Among other topics, the Request for Information also solicits comments regarding whether there are:

Ways in which the FDIC could or should modify the application process for traditional community banks.

Ways in which the FDIC could or should support the continuing evolution of emerging technology and fintech companies as part of its application review process, and whether there are particular risks associated with any such proposals.

Legal, regulatory, economic, technological, or other factors separate from the application process that discourage potential applications.

Any other suggestions that the FDIC should consider for improving the effectiveness, efficiency, or transparency of the application process, or for addressing any other interests or concerns of stakeholders relative to the application process.

Comments on the [Request for Information](#) will be accepted for 60 days after publication in the Federal Register.

Additional resources are available on the FDIC website dedicated to applications for deposit insurance.

Suggested Routing:

Chief Executive Officer

Chief Financial Officer

Related Topics:

[12 CFR Part 303 \(Subparts A and B\)](#)

[FDIC Statement of Policy on Applications for Deposit Insurance - Effective October 1, 1998](#)

[Guidance Related to the FDIC Statement of Policy on Applications for Deposit Insurance](#)

[Questions and Answers \(Q&As\) Posted November 2014 and April 2016](#)

Source [link](#).

Comment: This process is certainly in need of reform and modernization.

Deposit Insurance Fund Reserve Ratio Exceeds Minimum 1.35 Percent (11.28.2018)

On September 30, 2018, the Deposit Insurance Fund Reserve Ratio reached 1.36 percent, exceeding the statutorily required minimum reserve ratio of 1.35 percent ahead of the September 30, 2020, deadline required under the Dodd-Frank Wall Street Reform and Consumer Protection Act. FDIC regulations provide for two changes to deposit insurance assessments upon reaching the minimum: (1) surcharges on insured depository institutions with total consolidated assets of \$10 billion or more (large banks) will cease; and (2) small banks will receive assessment credits for the portion of their assessments that contributed to the growth in the reserve ratio from between 1.15 percent and 1.35 percent, to be applied when the reserve ratio is at or above 1.38 percent.

Highlights:

Large Bank Surcharges

- The last quarterly surcharge will be reflected in large banks' December 2018 assessment invoices, which cover the assessment period from July 1 through September 30.
- March 2019 assessment invoices, which cover the assessment period from October 1, 2018, through December 31, 2018, no longer will include a quarterly surcharge.

Small Bank Credits

- Small banks will receive credits for the portion of their assessments that contributed to growth in the reserve ratio between 1.15 percent and 1.35 percent.
- The FDIC estimates the aggregate amount of credits to be approximately \$750 million.
- The FDIC plans to notify each small bank of its individual credit amount in January 2019 through FDICconnect.
- Credits automatically will be applied each quarter that the reserve ratio is at least 1.38 percent, up to the full amount of a small bank's credit or assessment, whichever is less.

No Change to Assessment Rates

- Assessment rates, which declined for all banks when the reserve ratio first surpassed 1.15 percent in the third quarter of 2016, will remain unchanged.
- Assessment rates are scheduled to decrease when the reserve ratio exceeds 2 percent.

Suggested Routing:

Chief Executive Officer

President

Chief Financial Officer

Related Topics:

[FDIC Regulations Governing the Assessment Process, 12 CFR Part 327](#)

Source [link](#).

Comment: The agency's guidance included links to four documents: (1) Final Rule on Assessments (large bank pricing) (2) Final Rule on Assessments (surcharges); (3) Final Rule on Assessments (small bank pricing); and (4) Third Quarter 2018 "Quarterly Banking Profile".

OCC actions and news

OCC Reports Slight Improvement in Mortgage Performance (12.11.2018)

WASHINGTON—The Office of the Comptroller of the Currency (OCC) reported a slight improvement in the performance of first-lien mortgages in the federal banking system during the third quarter of 2018.

The OCC Mortgage Metrics Report, Third Quarter 2018, showed 95.4 percent of mortgages included in the report were current and performing at the end of the quarter, compared to 94.8 percent a year earlier.

The report also showed that servicers initiated 28,508 new foreclosures during the third quarter of 2018-, a 3.7 percent decrease from the previous quarter and a 16.8 percent decrease from a year ago. Servicers implemented 25,701 mortgage modifications in the third quarter of 2018, and 69.2 percent of the modifications reduced borrowers' monthly payments.

The first-lien mortgages included in the OCC's quarterly report comprise 32 percent of all residential mortgages outstanding in the United States or approximately 17.2 million loans totaling \$3.26 trillion in principal balances. This report provides information on mortgage performance through September 30, 2018, and it can be downloaded from the OCC's website, www.occ.gov.

Related Link

[OCC Mortgage Metrics Report, Third Quarter 2018](#) (PDF)

Source [link](#).

Comment: The report is generated from data from seven large national banks representing 32 percent of all outstanding residential mortgages.

OCC Report Discusses Key Risks for Federal Banking System (12.03.2018)

WASHINGTON — The Office of the Comptroller of the Currency (OCC) reported credit, operational, compliance, and interest rate risks are key themes for the federal banking system in its Semiannual Risk Perspective for Fall 2018.

Highlights from the report include:

- Credit quality remains strong, but the OCC is monitoring the origination quality of new loans, the potential for increased lender complacency within credit risk identification and management, and the potential embedded risks from successive years of eased underwriting.
- Operational risk is elevated as banks respond to an evolving and increasingly complex operating environment.
- Compliance risk is elevated as banks manage money laundering risks and comply with amended consumer protection requirements.
- Rising interest rates and increased competition for deposits may result in changes in funding mix or costs.

The report also highlights the emerging risk posed by the growth in nonfinancial corporate debt, and includes a credit underwriting assessment supplement.

The report covers risks facing national banks and federal savings associations based on data as of June 30, 2018. The report presents information in five main areas: the operating environment, bank performance, special topics in emerging risk, trends in key risks, and supervisory actions. It focuses on issues that pose threats to those financial institutions regulated by the OCC and is intended as a resource to the industry, examiners, and the public.

Related Link

[OCC Semiannual Risk Perspective for Fall 2018](#) (PDF)

Source [link](#).

Comment: You don't have to look any further than TRID 2.0 to understand that 'amended consumer protection requirements' pose ongoing challenges for community bank compliance departments.

OCC Reduces Assessments for Regulated Banks and Savings Associations (11.30.2018)

WASHINGTON—The Office of the Comptroller of the Currency (OCC) announced it will reduce assessments on national banks, federal savings associations, and federal branches and agencies of foreign banks for 2019.

The change—which takes effect with the March 31, 2019, assessment—will reduce the marginal rates in its General Assessment Fee Schedule by 10 percent. The agency anticipates the change will reduce total assessments collected by the agency by more than \$90 million in 2019. The reduction in marginal rates reflects cost savings in the OCC's operations and projections of the OCC's costs and revenue.

“We have a responsibility to be good stewards of the resources entrusted to us, and as assets within the federal banking system have grown, so have the assessments collected by the agency,” said Comptroller of the Currency Joseph Otting. “The agency has demonstrated it can reduce its costs by operating more effectively and efficiently while still ensuring the federal banking system operates in a safe, sound, and fair manner.”

In addition to reducing its 2019 assessments, the agency also announced a change to its refund policy for institutions that leave the federal banking system during an assessment period. Under the new policy, if a bank leaves the federal banking system during the first half of a semiannual assessment period, the OCC will issue a refund to the bank for the second half of the bank's semiannual assessment. If a bank leaves the federal banking system in the second half of the assessment period, no refund will be issued. The OCC is adopting this revised policy so that banks will not be required to pre-pay for three months of supervision after they are no longer subject to the jurisdiction of the OCC.

The National Bank Act and the Home Owners' Loan Act authorize the Comptroller to recover the costs of the OCC's operations through assessments, fees, and other charges on the institutions it supervises. The OCC reviews its assessments annually and issues a Notice of Fees and Assessments that sets forth the marginal assessment rates applicable to each asset-size bracket for each year, as well as other assessment components and fees.

Related Link

[Notice of Fees and Assessment](#)

Source [link](#).

Comment: Great news!

OCC Releases Calendar Year 2019 Fees and Assessments Structure (11.30.2018)

This bulletin informs all national banks, federal savings associations, and federal branches and agencies of foreign banks (collectively, banks) of fees and assessments charged by the Office of the Comptroller of the Currency (OCC) for calendar year 2019. The bulletin becomes effective January 1, 2019.

Highlights

- The OCC is reducing the marginal rates in the General Assessment Fee Schedule by 10 percent. The reduction in marginal rates reflects cost savings in the OCC's operations and projections of the OCC's costs and revenue.
- For the 2019 assessment year, there will be no inflation adjustment to assessment rates.
- The OCC has revised the refund policy for institutions that leave the federal banking system after the December 31 and June 30 Call Report dates. Under the new policy, if a bank leaves the federal banking system during the first half of a semiannual assessment period, the OCC will issue a refund to the bank for the second half of the bank's semiannual assessment. If a bank leaves the federal banking system in the second half of the assessment period, no refund will be issued. The OCC is adopting this revised policy so that banks will not be required to pre-pay for three months of supervision after they are no longer subject to the jurisdiction of the OCC.

Source [link](#).

Senior Deputy Comptroller Discusses Compliance with the Bank Secrecy Act (11.29.2018)

WASHINGTON—Senior Deputy Comptroller for Compliance and Community Affairs Grovetta N. Gardineer discussed initiatives to reform and modernize the Bank Secrecy Act (BSA)/Anti-Money Laundering (AML) regulatory and supervisory regime.

Her comments came during testimony before the Senate Committee on Banking, Housing, and Urban Affairs.

Related Links

[Oral Statement](#) (PDF)

[Written Testimony](#) (PDF)

Source [link](#).

Federal Reserve actions and news

FRB Statistical Release - Consumer Credit - G.- G.19 (12.04.2018)

In October, consumer credit increased at a seasonally adjusted annual rate of 7-3/4 percent. Revolving credit increased at an annual rate of 10-3/4 percent, while nonrevolving credit increased at an annual rate of 6-3/4 percent.

- [Consumer Credit Outstanding](#)
- [Levels](#)
- [Flows](#)

Source [link](#).

Other federal action and news

FCC Establishes Reassigned Phone Numbers Database to Help Reduce Unwanted Calls To Consumers (12.12.2018)

WASHINGTON, December 12, 2018—The Federal Communications Commission adopted new rules to establish a reassigned numbers database that will reduce the number of unwanted phone calls Americans receive.

Millions of phone numbers are reassigned each year. When a consumer gets a new phone number that was previously assigned to another consumer, businesses and other callers frequently do not learn of the reassignment right away and may inadvertently call the new consumer rather than the prior holder of the number. This results in the new consumer receiving unwanted calls and the prior number holder not receiving calls he or she expects, like notifications from a doctor's office, financial institution, or school.

The new rules establish a single, comprehensive database with information provided by phone companies that callers will be able to use to avoid calling reassigned numbers. Callers using the database will be able to find out if telephone numbers assigned to consumers who want their calls have been disconnected and made eligible for reassignment. Any such numbers can then be purged from their call lists, thereby decreasing the number of unwanted calls to consumers. To further encourage callers to use the database, the Commission is providing callers a safe harbor from liability for any calls to reassigned numbers caused by database error.

Source [link](#).

Comment: Moral of the story – update contact numbers at every opportunity!

FTC Seeks Comment on Identity Theft Detection Rules (12.04.2018)

The Federal Trade Commission is seeking comment on whether the agency should make changes to rules requiring that financial institutions and creditors take certain steps to detect signs of identity theft affecting their customers.

As part of the Commission's periodic review of all its rules and guides, the FTC is seeking comment on whether any modifications should be made to the Red Flags Rule and the Card Issuers Rule. The Red Flags Rule requires financial institutions and some creditors to implement a written identity theft prevention program designed to

detect the “red flags” of identity theft in their day-to-day operations, take steps to prevent it, and mitigate its damage. The Card Issuers Rule requires that debit or credit card issuers implement policies and procedures to assess the validity of a change of address request if, within a short period of time after receiving the request, the issuer receives a request for an additional or replacement card for the same account. The Card Issuers Rule bars a card issuer from issuing an additional or replacement card until it has notified the cardholder about the request or otherwise assessed the validity of the address change.

Identity theft was the second biggest category of consumer complaints made to the FTC in 2017 and the third biggest topic of complaints through the first three quarters of 2018.

The questions on which the FTC is seeking comment include:

- Is there a continuing need for the specific provisions of the Rules?
- What benefits have the Rules provided to consumers?
- What significant costs, if any, have the Rules imposed on consumers?
- What significant costs, if any, have the Rules imposed on businesses, including small businesses?
- Are there any types of creditors that are not currently covered by the Red Flags Rule but should be, because they offer or maintain accounts that could be at risk of identity theft?

The request for comment on the two Rules will be published in the Federal Register shortly, along with instructions on how to submit comments. The deadline for submitting comments is February 11, 2019.

Source [link](#).

Publications, articles, reports, studies, testimony & speeches

Promising Telehealth Initiatives Highlight the Need to Close Digital Divide (12.14.2018)

Increasingly, health care systems are pressured to deliver cost-effective quality care to more people. To meet this demand, health care systems often rely on digital health information and tools to enhance continuity of care and increase efficiency, timeliness and reach. One promising tool, telehealth, is a platform that can be deployed to address access-to-care issues for both underserved urban and rural populations. However, broadband infrastructure and access gaps, particularly in low- and moderate-income (LMI) and rural communities, are barriers to unleashing telehealth’s full potential. This report will highlight five case studies that demonstrate how telehealth is being used effectively and creatively to decrease costs and increase efficiencies in the delivery of health care.

The significant positive economic return on investment of telehealth for rural areas has been well documented by NTCA—the Rural Broadband Association in a 2017 report. For example, the report notes savings for patients in travel expense, lost wages, hospital cost and increased local revenue for lab work, and pharmacy revenue. Additionally, the U.S. Department of Commerce reports, “Telehealth [in the U.S.] reduces hospital admissions by 25 percent and overall length of stay by 59 percent.” The agency further documents that “hospitals without electronic health records will spend \$371 billion more over 15 years than their counterparts.”

Telehealth is the use of electronic information and telecommunication technologies to support and provide long-distance clinical health care and monitoring, patient and professional health-related education, and public health and health administration. Technologies include videoconferencing, the internet, store-and-forward imaging, streaming media, and terrestrial and wireless communications. Figure 1 shows the difference

between the terms “telehealth” and “telemedicine.” Telehealth is the broader term, and telemedicine relates specifically to the provision of remote clinical services.

Source [link](#).

Comment: Broadband infrastructure and access gaps, particularly in low- and moderate-income and rural communities, are barriers to unleashing telehealth’s full potential. According to the FCC’s 2016 Broadband Progress Report, 34 million U.S. residents lack access to fixed broadband at speeds of at least 25 Mbps for downloads and 3 Mbps for uploads.

St. Louis Fed's Bullard Presents More on Modern Monetary Policy Rules (12.07.2018)

Carmel, Ind. – Federal Reserve Bank of St. Louis President James Bullard gave remarks titled “More on Modern Monetary Policy Rules” to the Indiana Bankers Association on Friday. He further elaborated on some key directions the Fed could take to update monetary policy rules.

In his talk, Bullard pointed out that “monetary policy rules have proven to be very useful in laying out benchmarks for monetary policy actions.” One popular rule has been the 1999 version of the Taylor rule, referred to here as Taylor (1999), which was constructed based on U.S. data from the 1980s and 1990s.¹

“Since that time, three important macroeconomic developments have altered key elements of policy rule construction,” he said. These developments are lower short-term real interest rates, the disappearing Phillips curve and better measures of inflation expectations.

“Incorporating these developments yields a modernized policy rule that suggests the current level of the policy rate is about right over the forecast horizon,” Bullard said.

Source [link](#).

Housing Market Indicators May Suggest another Housing Downturn on the Horizon (12.07.2018)

ST. LOUIS — Recent movements in several housing indicators, including mortgage rates, existing home sales, real house prices and the momentum of residential investment, could suggest another housing downturn may be on the horizon. William Emmons, assistant vice president, and chief economist of the St. Louis Fed's Center for Household Financial Stability looks into the possibility that current housing market signals may mean a broader economic downturn in 2019 or 2020.

The key takeaways for this quarter’s Housing Market Perspectives are:

- Recent movements in several housing indicators resemble those seen in the late stages of past economic expansions.
- Not all housing indicators point to a slowdown
- Key indicators to watch include mortgage rates, existing home sales, real house prices and the momentum of residential investment.

In this latest report, Williams compares the four housing indicators with their trajectories near each of the three previous recessions to gauge whether the housing market is now at a stage that, in earlier decades, led towards housing downturns and recessions. Williams does warn “to keep in mind that the degree of advance warning from any particular signal has varied substantially. All four housing indicators discussed have

generated false alarms and instances of housing weakness that were not followed by a recession within the next few years.”

Williams believes the risk of a broad-based economic recession is possible if the housing market were to weaken further, given the forecasting track record of housing market downturns.

Source [link](#).

Comment: Home purchases have a multiplier effect on consumer spending, since they often generate further sales of furniture, appliances, electronics, and marble or granite kitchen counters.

Selected federal rules – proposed

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

Posted

Date

SUMMARY OF PROPOSED RULE

- 12.12.2018 [Identity Theft Detection Rules](#) - As part of the Commission’s periodic review of all its rules and guides, the FTC is seeking comment on whether any modifications should be made to the Red Flags Rule and the Card Issuers Rule. The Red Flags Rule requires financial institutions and some creditors to implement a written identity theft prevention program designed to detect the “red flags” of identity theft in their day-to-day operations, take steps to prevent it, and mitigate its damage. The Card Issuers Rule requires that debit or credit card issuers implement policies and procedures to assess the validity of a change of address request if, within a short period of time after receiving the request, the issuer receives a request for an additional or replacement card for the same account. The Card Issuers Rule bars a card issuer from issuing an additional or replacement card until it has notified the cardholder about the request or otherwise assessed the validity of the address change. The deadline for submitting comments is February 11, 2019.
- 11.21.2018 [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 60 days after publication in the Federal Register.
- 11.21.2018 [Availability of Funds and Collection of Checks \(Regulation CC\)](#) - The Board and the Bureau (Agencies) are proposing amendments to Regulation CC, which implements the Expedited Funds Availability Act (EFA Act) (2018 Proposal), and are also providing an additional opportunity for public comment on certain amendments to Regulation CC that the Board proposed in 2011 (2011 Funds Availability Proposal). In the 2018 Proposal, the Agencies are proposing a calculation methodology for implementing a statutory requirement to adjust the dollar amounts in the EFA Act every five years by the aggregate annual percentage increase in the Consumer Price Index for Wage Earners and Clerical Workers (CPIW) rounded to the nearest multiple of \$25. The 2018 Proposal would also implement the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) amendments to the EFA Act, which include extending coverage to American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam, and would make certain other technical amendments. With regard to reopening comments on the 2011 Funds Availability Proposal, the Board published proposed amendments to Regulation CC in the Federal Register on March 25, 2011. As discussed below, the Board and the Bureau now have joint rulemaking authority with respect to subpart B of Regulation CC, related definitions, and appendices of the amendments that the Board proposed on that date. The Board and the Bureau are reopening the comment period for the 2011 Funds Availability Proposal. Comments must be received by February 8, 2019.

- 11.20.2018 [Reduced Reporting](#) - The OCC, the Board, and the FDIC (collectively, the agencies) are inviting comment on a proposed rule that would implement section 205 of the Economic Growth, Regulatory Relief, and Consumer Protection Act by: expanding the eligibility to file the agencies' most streamlined report of condition, the FFIEC 051 Call Report, to include certain insured depository institutions with less than \$5 billion in total consolidated assets that meet other criteria; and, establishing reduced reporting on the FFIEC 051 Call Report for the first and third reports of condition for a year. The OCC and Board also are proposing similar reduced reporting for certain uninsured institutions that they supervise with less than \$5 billion in total consolidated assets that otherwise meet the same criteria. This Federal Register notice also includes a Paperwork Reduction Act notice to reduce the amount of data required to be reported on the FFIEC 051 Call Report for the first and third calendar quarters, and other related changes. Comments must be received by January 18, 2019.
- 11.20.2018 [Real Estate Appraisals](#) - The OCC, Board, and FDIC (collectively, the agencies) are inviting comment on a proposed rule to amend the agencies' regulations requiring appraisals for certain real estate related. The proposed rule would increase the threshold level at or below which appraisals would not be required for residential real estate-related transactions from \$250,000 to \$400,000. Consistent with the requirement for other transactions that fall below applicable thresholds, regulated institutions would be required to obtain an evaluation of the real property collateral that is consistent with safe and sound banking practices. The proposed rule would make conforming changes to add transactions secured by residential property in rural areas that have been exempted from the agencies' appraisal requirement pursuant to the Economic Growth, Regulatory Relief and Consumer Protection Act to the list of exempt transactions. The proposed rule would require evaluations for these exempt transactions. Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, the proposed rule would amend the agencies' appraisal regulations to require regulated institutions to subject appraisals for federally related transactions to appropriate review for compliance with the Uniform Standards of Professional Appraisal Practice. Comments must be received by February 5, 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 about.

**EFFECTIVE
DATE:**

SUMMARY OF FINAL RULE:

- 01.01.2018 [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.
- 01.16.2018 [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.

- 04.09.2018 [Final rule Exempting Commercial Real Estate Transactions of \\$500,000 or Less From Appraisal Requirements](#) - The OCC, Board, and FDIC (collectively, the agencies) are adopting a final rule to amend the agencies' regulations requiring appraisals of real estate for certain transactions. The final rule increases the threshold level at or below which appraisals are not required for commercial real estate transactions from \$250,000 to \$500,000. The final rule defines commercial real estate transaction as a real estate-related financial transaction that is not secured by a single 1-to-4 family residential property. It excludes all transactions secured by a single 1-to-4 family residential property, and thus construction loans secured by a single 1-to-4 family residential property are excluded. For commercial real estate transactions exempted from the appraisal requirement as a result of the revised threshold, regulated institutions must obtain an evaluation of the real property collateral that is consistent with safe and sound banking practices.
- 05.16.2018 [Beneficial Ownership Requirements for Legal Entity Customers of Certain Financial Products and Services with Automatic Rollovers or Renewals](#). The Financial Crimes Enforcement Network (FinCEN) is issuing this ruling to provide a 90-day limited exceptive relief to covered financial institutions from the obligations of the Beneficial Ownership Requirements for Legal Entity Customers (31 CFR § 1010.230) (Beneficial Ownership Rule) with respect to certain financial products and services that automatically rollover or renew (i.e., certificate of deposit (CD) or loan accounts) and were established before the Beneficial Ownership Rule's Applicability Date, December 11, 2018. This exception begins, retroactively, on December 11, 2018, and will expire on December 9, 2018. During this time, FinCEN will determine whether and to what extent additional exceptive relief December be appropriate for such financial products and services that were established before December 11, 2018, but are expected to rollover or renew after such date.
- 06.01.2018 [Federal Mortgage Disclosure Requirements Under the Truth in Lending Act \(Regulation Z\)](#). The Bureau of Consumer Financial Protection (Bureau) is amending Federal mortgage disclosure requirements under the Real Estate Settlement Procedures Act (RESPA) and the Truth in Lending Act (TILA) that are implemented in Regulation Z. The amendments relate to when a creditor December compare charges paid by or imposed on the consumer to amounts disclosed on a Closing Disclosure, instead of a Loan Estimate, to determine if an estimated closing cost was disclosed in good faith.
- 07.01.2018 [Availability of Funds and Collection of Checks](#) The Board is amending subparts A, C, and D of Regulation CC, Availability of Funds and Collection of Checks (12 CFR part 229), which implements the Expedited Funds Availability Act of 1987 (EFA Act), the Check Clearing for the 21st Century Act of 2003 (Check 21 Act), and the official staff commentary to the regulation.¹ In the final rule, the Board has modified the current check collection and return requirements to reflect the virtually all-electronic check collection and return environment and to encourage all depository banks to receive, and paying banks to send, returned checks electronically. The Board has retained, without change, the current same-day settlement rule for paper checks. The Board is also applying Regulation CC's existing check warranties under subpart C to checks that are collected electronically, and in addition, has adopted new warranties and indemnities related to checks collected and returned electronically and to electronically-created items.
- 09.17.2018 [Amendment to the Annual Privacy Notice Requirement Under the Gramm-Leach-Bliley Act \(Regulation P\)](#). The Bureau of Consumer Financial Protection (Bureau) is amending Regulation P, which requires, among other things, that financial institutions provide an annual notice describing their privacy policies and practices to their customers. The amendment implements a December 2015 statutory amendment to the Gramm-Leach-Bliley Act providing an exception to this annual notice requirement for financial institutions that meet certain conditions.
- 10.01.2018 [TRID 2.0](#) The Consumer Financial Protection Bureau (BFCP) finalized updates to its "Know Before You Owe" mortgage disclosure rule with amendments that are intended to formalize guidance in the rule, and provide greater clarity and certainty. The changes will facilitate implementation of the Know Before You Owe rule by the mortgage industry. The BFCP is also releasing a limited follow-up proposal to address an additional implementation issue. While the amendments became effective 60 days after publication in the Federal Register, mandatory compliance with the amendments is not required until December 1, 2018.
- 04.01.2019 [Prepaid Accounts under the Electronic Fund Transfer Act \(Regulation E\) and the Truth In Lending Act \(Regulation Z\)](#). The BFCP is issuing this final rule to create comprehensive consumer protections for prepaid accounts under Regulation E, which implements the Electronic Fund Transfer Act; Regulation Z, which implements the Truth in Lending Act; and the official interpretations to those regulations. The final rule modifies general Regulation E requirements to create tailored provisions governing disclosures, limited liability and error resolution, and periodic statements, and adds new requirements regarding the posting of account agreements. Additionally, the final rule regulates overdraft credit features that December be offered in conjunction with prepaid accounts. Subject to certain exceptions, such credit features will be covered under Regulation Z where the credit feature is offered by the prepaid account issuer, its affiliate, or its business partner and credit can be accessed in the course of a transaction conducted with a prepaid card. For additional information, see the BFCP's [prepaid rule implementation page](#). The 2018 Prepaid Amendments extend the effective date of the 2016 Prepaid Rule to April 1, 2019. All provisions of the Prepaid Rule will become effective on April 1, 2019.

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.
BCFP	Bureau of Consumer Financial Protection
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 December 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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