



Capitol Comments

March 2018

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



Joint federal agency issuances, actions and news

FFIEC Revised A Guide to HMDA Reporting: Getting It Right! (03.05.2018)

The Federal Financial Institutions Examination Council (FFIEC) has revised *A Guide to HMDA Reporting: Getting It Right!* to reflect the October 2015 Home Mortgage Disclosure Act (HMDA) final rule, as amended in 2017. This compliance resource should help financial institutions better understand the final rule's requirements, including the data collection and reporting provisions.

Statement of Applicability to Institutions with Total Assets under \$1 Billion: This Financial Institution Letter applies to all FDIC-supervised institutions subject to HMDA and Regulation C. A HMDA exemption applies to institutions with assets at or below a threshold specified in Regulation C.

Highlights:

HMDA, which is implemented by Regulation C, requires certain financial institutions to collect, report, and disclose information about their mortgage lending activity.

- *A Guide to HMDA Reporting: Getting It Right!* provides a summary of key HMDA provisions, including information about HMDA's data collection, reporting, and disclosure requirements, and the purpose of these requirements.
- *Getting It Right* can serve as a useful compliance resource for supervised financial institutions.
- The FFIEC has revised *Getting It Right* to reflect revisions to Regulation C included in the October 2015 HMDA Final Rule, as amended in 2017.
- On December 21, 2017, the FDIC issued a "Statement on Institutions' Good Faith Compliance Efforts," which clarifies that, in recognition of the significant systems and operational challenges required to implement the final rule, FDIC examinations of 2018 HMDA data will be diagnostic (i.e., to help institutions identify compliance weaknesses) and will credit good faith compliance efforts.
- In addition, the FDIC has developed a new method for institutions and their consumer compliance personnel to opt in to receive alerts when the FDIC's Compliance Examination Manual (CEM) is updated or revised. To be notified when the CEM is updated, register on the FDIC's Email Updates webpage at <https://service.govdelivery.com/accounts/USFDIC/subscriber/new>.

- [FIL-63-2017](#), “Statement on Financial Institutions’ Good Faith Compliance Efforts”

Attachments:

- [A Guide to HMDA Reporting: Getting It Right!](#)

Source [link](#).

Comment: Despite potential HMDA relief making its way through Congress, each bank subject to HMDA reporting should have an individual focused on that task. That individual should parse through this document over and over again to actually ‘get it right.’ While it looks like smaller banks may be exempted from reporting on the expanded data fields, they may nonetheless have data reporting requirements similar to 2017.

CFPB actions and news

CFPB Accepting Applications for Advisory Board and Councils (ABC) (03.19.2018)

To be sure that we hear from a variety of experts with diverse viewpoints, we set up the Consumer Advisory Board, the Community Bank Advisory Council, and the Credit Union Advisory Council. These advisory groups provide us with information about emerging trends and practices in the consumer financial marketplace. They also allow us to hear directly from small financial institutions.

Starting today, we’re accepting applications for membership in all of our advisory groups. We’re inviting applications from individuals who can provide us with guidance as we carry out our work.

Here’s what we’re looking for:

- Experts in consumer protection, community development, consumer finance, fair lending, and civil rights
- Experts in consumer financial products or services
- Representatives of banks that primarily serve underserved communities
- Representatives of communities that have been significantly impacted by higher priced mortgage loans
- Current employees of credit unions and community banks
- Academics (Experts in consumer finance markets and underserved populations.)

Source [link](#).

CFPB Issues Request for Information on Adopted Regulations and New Rulemaking Authorities (03.14.2018)



WASHINGTON, D.C. — The Consumer Financial Protection Bureau (Bureau) today issued a Request for Information (RFI) on the Bureau’s adopted regulations and new rulemaking authorities. The Bureau is seeking comments and information from interested parties to assist the Bureau in considering whether it should amend any rules it has issued since its creation or issue rules under new rulemaking authority provided for by the Dodd-Frank Act. This is the eighth in a series of RFIs announced as part of Acting Director Mick Mulvaney’s call for evidence to ensure the Bureau is fulfilling its proper and appropriate functions to best protect consumers. This RFI will provide an opportunity for the public to submit feedback and suggest ways to

improve outcomes for both consumers and covered entities. The next RFI in the series will address the Bureau's inherited regulations and inherited rulemaking authorities, and will be issued next week.

The RFI on adopted rules is available at: https://files.consumerfinance.gov/f/documents/cfpb_rfi_adopted-regulations_032018.pdf

The CFPB will begin accepting comments once the RFI is printed in the Federal Register, which is expected to occur on approximately March 19. The RFI will be open for comment for 90 days.

The Bureau anticipates issuing RFIs on the following topics in the coming weeks:

- Inherited Rules
- Guidance and Implementation Support
- Consumer Education
- Consumer Inquiries

More information about the call for evidence is available at: <http://www.consumerfinance.gov/policy-compliance/notice-opportunities-comment/open-notices/call-for-evidence/>

Source [link](#).

Comment: The adopted regulations include the ones transferred to the CFPB by the Dodd Frank Act and the new ones required by that act. Large rules include TRID, mortgage origination (Regulation Z/QM) and remittance transfers, among others.

Bureau Updates Prepaid Small Entity Compliance Guide and Guide to Preparing the Short Form Disclosure for Prepaid Accounts (03.13.2018)

The CFPB released version 3.0 of its prepaid rule [Small Entity Compliance Guide](#) and the [guide](#) to [Preparing Short Form Disclosure for Prepaid Accounts](#). The updated guides reflect the 2018 final rule governing prepaid accounts (Rule).

Source [link](#).

Comment: The rule applies to payroll cards as well as other prepaid cards.

CFPB Issues Amendments to the 2016 Mortgage Servicing Final Rule (03.08.2018)

The Bureau has issued a Final Rule amending the 2016 Mortgage Servicing Rule. This final rule replaces the single-billing-cycle exemption for periodic statements and coupon books with a single-statement exemption when servicers transition to providing modified or unmodified periodic statements and coupon books to consumers entering or exiting bankruptcy. This final rule provides a single-statement exemption for the next periodic statement or coupon book that a servicer would otherwise have to provide, regardless of when in the billing cycle the triggering event occurs.

You can access this final rule on our website at: <https://www.consumerfinance.gov/policy-compliance/guidance/implementation-guidance/mortserv/>

Source [link](#).

Comment: The 2016 mortgage servicing rule requires that servicers send modified periodic statements or coupon books to certain consumers in bankruptcy beginning April 19, 2018. These amendments to Regulation Z revise the timing requirements for servicers transitioning between modified or unmodified periodic statements and coupon books when consumers enter or exit bankruptcy

Bureau Publishes 2018 Lists of Rural and Underserved Counties (03.06.2018)



The Bureau has published the 2018 list of rural and underserved counties and a separate 2018 list that includes only rural counties. The Bureau has also updated the rural and underserved areas tool on its website for 2018. The lists and the tool help creditors determine whether a property is located in a rural or underserved area for purposes of applying certain regulatory provisions related to mortgage loans. A creditor that makes a first-lien mortgage loan secured by a property located in a rural or underserved area during 2018 meets the requirements to be a creditor that operates in rural or underserved areas during 2019 and for loan applications received before April 1, 2020.

The 2018 lists can be found [here](#). The rural and underserved areas tool can be found [here](#).

Source [link](#).

Comment: This rural exemption is important for banks determining whether they are exempt from certain regulatory requirements under the CFPB's Ability-to-Repay, escrow, HOEPA and appraisal rules in 2018.

Consumer Financial Protection Bureau Issues Request for Information on Consumer Complaint Reporting (03.01.2018)



WASHINGTON, D.C. — The Consumer Financial Protection Bureau (Bureau) today issued a Request for Information (RFI) about the Bureau's public reporting of consumer complaints. The Bureau is seeking comments and information from interested parties on the usefulness of complaint reporting and analysis, as well as specific suggestions or best practices for complaint reporting. This is the sixth in a series of RFIs announced as part of Acting Director Mick Mulvaney's call for evidence to ensure the Bureau is fulfilling its proper and appropriate functions to best protect consumers. This RFI will provide an opportunity for the public to submit feedback and suggest ways to improve outcomes for both consumers and covered entities. The next RFI in the series will address the Bureau's rulemaking processes, and will be issued next week.

The RFI on complaint reporting is available at:

https://files.consumerfinance.gov/f/documents/cfpb_rfi_complaint-reporting_032018.pdf

Source [link](#).

Comment: The CFPB complaint process is different from other regulators in that all complaints are posted whether or not they have been validated! This is the sixth RFI issued by Acting Director Mick Mulvaney, part of his call for evidence that the bureau is fulfilling its proper and appropriate functions to best protect consumers.

FDIC actions and news

FDIC Provides Q&As for Consumers as Part of National Consumer Protection Week (03.05.2018)

In observance of National Consumer Protection Week (NCPW) March 4-10, 2018, the FDIC will post a new question and answer (Q&A) on a different banking topic each weekday at www.fdic.gov/ncpw. The five Q&As — covering mobile banking, credit and debit card security precautions, safe deposit boxes, credit reports, and debt collectors — along with other consumer information, will be accessible for reference year-round.

Source [link](#).

Comment: These materials can be a useful tool in a bank's consumer financial literacy outreach.

FDIC Consumer News Features Tips on Protecting Assets (03.05.2018)

It's always important for consumers to save money for their future, keep banking and borrowing costs down, and guard their possessions from high-tech thieves in today's digital world. The Winter 2018 FDIC Consumer News includes information about:

- Five things to know about safe deposit boxes and home safes for protecting valuables. Among the tips: bank safe deposit boxes are good choices to store originals of key documents, such as birth certificates and property deeds, but probably not the right choice if quick access is a must. Also, people are better off stashing their cash in a bank deposit account, like a savings account or certificate of deposit, than in a home safe or a safe deposit box, where the money isn't protected by FDIC insurance.
- Guarding against criminals who place hidden recording devices at or near automated teller machines (ATMs) and retailer checkout registers. These devices can "skim" (steal) credit and debit card account numbers and personal identification numbers (PINs) to commit fraud or theft.
- How new standards for credit reporting may help consumers improve credit scores and qualify for loans under more favorable terms. One example is that unpaid medical debts will not appear as negative information on a consumer's credit report until those debts are at least 180 days past due.

This edition of the newsletter also provides information about the increasing use of mobile phones for banking transactions and to pay for just about anything from anywhere. Another article discusses how appraisals, which are often required when consumers apply for a mortgage to buy or refinance a home, can help borrowers as well as lenders.

The newsletter also notes that the FDIC is celebrating National Consumer Protection Week (March 4-10, 2018) by posting questions and answers on different banking topics during the week, plus additional consumer tips and information for reference year-round, at www.fdic.gov/ncpw.

The Winter 2018 FDIC Consumer News can be read or printed by visiting www.fdic.gov/consumers/consumer/news/cnwin18, with e-reader and portable audio (MP3) versions forthcoming. Additionally, in the coming weeks, a Spanish-language version will be posted at www.fdic.gov/quicklinks/spanish.html.

About FDIC Consumer News

The FDIC encourages financial institutions, government agencies, consumer organizations, educators, the media, and anyone else to help make the tips and information in FDIC Consumer News widely available. The publication may be reprinted in whole or in part without permission. Please credit FDIC Consumer News. Organizations also may link to or mention the FDIC website.

Source [link](#).

Comment: Take advantage of this material and use on your website or as part of your consumer outreach.

FDIC-Insured Institutions Report Net Income of \$25.5 Billion in Fourth Quarter 2017 (02.27.2018)

- Quarterly Net Income Is 40.9 Percent Lower than a Year Ago Largely Due To One-Time Changes from the New Tax Law
- Excluding Changes from the New Tax Law, Estimated Quarterly Net Income Would Have Been \$42.2 Billion, Down 2.3 Percent from a Year Ago
- Net Interest Income Rises 8.5 Percent from Fourth Quarter 2016
- Total Loan and Lease Balances Increase \$164.1 Billion During the Fourth Quarter
- “Problem Bank List” Falls Below 100

“Notwithstanding the one-time impact of the new tax law, the overall performance of the industry continued to be positive.”

-- FDIC Chairman Martin J. Gruenberg

Source [link](#).

Comment: FDIC-insured banks and savings institutions earned \$25.5 billion in the fourth quarter, down 40.9 percent from the industry’s earnings a year before, the FDIC said today. The year-over-year decline was attributed to one-time effects of the new tax reform law, including the re-evaluation of deferred tax assets and repatriation of income from foreign subsidiaries, the agency said.

OCC actions and news

OCC Reports Mortgage Performance Unchanged (03.15.2018)

WASHINGTON—Performance of first-lien mortgages remained largely unchanged during the fourth quarter of 2017 compared with a year earlier, according to the Office of the Comptroller of the Currency’s (OCC) quarterly report on mortgages.

The *OCC Mortgage Metrics Report, Fourth Quarter 2017*, showed 94.5 percent of mortgages included in the report were current and performing at the end of the quarter, compared to 94.7 percent a year earlier.

The report also showed that foreclosure activity has increased from the previous quarter. Reporting servicers initiated 34,519 new foreclosures during the fourth quarter of 2017, a 0.7 percent increase from the previous quarter and a 24.1 percent decrease from a year earlier. Servicers implemented 21,866 mortgage modifications in the fourth quarter of 2017. Seventy-nine percent of the modifications reduced borrowers’ monthly payments.

The first-lien mortgages included in the OCC’s quarterly report comprise 33 percent of all residential mortgages outstanding in the United States or approximately 18.1 million loans totaling \$3.32 trillion in principal balances. This report provides information on mortgage performance through December 31, 2017, and it can be downloaded from the OCC’s website, [www.OCC.GOV](http://www OCC.GOV).

Related Link

- [OCC Mortgage Metrics Report, Fourth Quarter 2017](#) (PDF)

Source [link](#).

Comment: Mortgage servicers initiated 45,495 new foreclosures in the fourth quarter – a decrease of 5.1% compared with the third quarter and a decrease of 28.2% compared with the fourth quarter of 2015, according to the OCC’s data.

OCC Hosts Risk Governance and Credit Risk Workshops in Florida (03.15.2018)

WASHINGTON — The Office of the Comptroller of the Currency (OCC) will host two workshops at the Holiday Inn Fort Walton Beach, Fort Walton Beach, Fla., April 24-25, for directors of national community banks and federal savings associations supervised by the OCC.

The Risk Governance workshop on April 24 combines lectures, discussion, and exercises to provide practical information for directors to effectively measure and manage risks. The workshop also focuses on the OCC’s approach to risk-based supervision and major risks in the financial industry.

The Credit Risk workshop on April 25 focuses on credit risk within the loan portfolio, such as identifying trends and recognizing problems. The workshop also covers the roles of the board and management, how to stay informed of changes in credit risk, and how to effect change.

The workshop fee is \$99 and open to directors of national community banks and federal savings associations supervised by the OCC. Participants receive course materials, and assorted supervisory publications. The workshop is limited to the first 35 registrants.

The workshops are taught by experienced OCC staff and are two of the 25 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](#).

Comment: The OCC’s [Detecting Red Flags in Board Reports – A Guide for Directors](#) is an excellent primer for anyone wanting to learn more about credit risk management and how agencies identify risk.

OCC Hosts Compliance and Operational Risk Workshops in Indianapolis (03.14.2018)

WASHINGTON — The Office of the Comptroller of the Currency (OCC) will host two workshops in Indianapolis at the Crowne Plaza Indianapolis Airport, Indianapolis, Ind., April 17 and 18, for directors of national community banks and federal savings associations supervised by the OCC.

The Compliance Risk workshop on April 17 combines lectures, discussion, and exercises on the critical elements of an effective compliance risk management program. The workshop also focuses on major compliance risks and critical regulations. Topics of discussion include the Bank Secrecy Act, Flood Disaster Protection Act, Fair Lending, Home Mortgage Disclosure Act, Community Reinvestment Act, and other compliance areas of interest.

The Operational Risk workshop on April 18 focuses on the key components of operational risk—people, processes, and systems. The workshop also covers governance, third-party risk, vendor management, internal fraud, and cybersecurity.

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

The workshops are taught by experienced OCC staff and are 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](#).

- ***Comment: From the OCC's Semiannual Risk Perspective for Fall 2017 – 'Compliance risk remains elevated as banks continue to manage money laundering risks, as well as consumer compliance risks, particularly due to the increasing complexity in consumer compliance regulations.'***

Federal Reserve actions and news

Fed Beige Book Released (03.07.2018)

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 economy continued to expand at a modest to moderate pace in January and February. Employment grew at a moderate pace amid persistent labor market tightness nationwide, and demand for qualified workers was brisk. Wage growth was moderate in many districts, and in a few districts the Tax Cuts and Jobs Act was credited for modest increases in compensation

Federal Reserve Board requests comments on amendments to simplify Regulation J and make it conform more closely with Regulation CC (03.06.2018)

Federal Reserve Board requests comments on amendments to simplify Regulation J and make it conform more closely with Regulation CC - The proposed amendments are intended to align the rights and obligations of parties, including the Federal Reserve Banks, with the Board's 2017 amendments to Regulation CC, which reflected the evolution of the nation's check collection system from one that is largely paper-based to one that is virtually all electronic.

Source [link](#).

Comment: Yea! This is an area where consistency would be beneficial to the industry. Subpart A of Regulation J governs the collection of checks and other items by the Reserve Banks. This subpart includes the warranties and indemnities that are given to the Reserve Banks by parties that send items to the Reserve Banks for collection and return, as well as the warranties and indemnities for which the Reserve Banks are responsible in connection with the items they handle. Subpart B of Regulation J provides rules to govern funds transfers through the Reserve Banks' Fedwire Funds Service. This service is also governed by the Reserve Banks' Operating Circular No. 6, "Funds Transfers through the Fedwire Funds Service" (OC 6).

Other federal action and news

FTC - Stopping scams targeting older consumers (02.22.2018)

The FTC has a long history of protecting people from scams. As part of its ongoing efforts to protect people in every community, the FTC recently took steps to [stop two schemes harming older adults](#): a tech support scam and a sweepstakes scam.

This latest tech support scam, which appears to impact older adults, has a lot in common with other scams we've seen. Some scammers pretend to be calling from the technical support department of a well-known company. Others send pop-up messages warning you about a problem with your computer. They want you to believe your computer is infected with a virus, or that a hacker is trying to access your computer. It's all a ploy to get you to pay for bogus technical support you don't need. Find out how you can help someone you know [recognize and avoid a tech support scam](#).

The other operation appears to target older adults with a sweepstakes scam. The companies behind the scam send mailers that make people think they've won a \$1 million prize (or more!), and that the recipient only needs to pay a small fee to claim it. Find out how you can help someone you know [avoid a prize or sweepstakes scam](#).

Source [link](#).

Comment: Many state legislatures have significantly strengthened elder abuse laws. Use this information in training your staff to identify scams and protect vulnerable customers

Publications, articles, reports, studies, testimony & speeches

The Winds of Change for Community Banking: Headwinds, Tailwinds, and Regulation (03.14.2018)

The 12th annual Community Bankers Symposium, cosponsored by the Federal Reserve Bank of Chicago, the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC), was held at the Chicago Fed on November 17, 2017. During a full day of speeches and panels, a group of 125 community banking executives, financial industry practitioners, and supervisory agency professionals who work in the Seventh Federal Reserve District¹ explored the changing landscape for community banking. This article summarizes the event's key presentations and discussions.

The conference's speakers focused on the current state of the economy, updates on key accounting and regulatory changes, common examination findings, and views on regulatory requirements and supervisory initiatives. Additionally, panels of agency ombudsmen² and consumer regulatory compliance professionals discussed current material risks to financial institutions, as well as related evolving supervisory expectations for mitigating those threats.

Source [link](#).

Comment: From Governor Lael Brainard – 'Today many economies around the world are experiencing synchronized growth, in contrast to the 2015-16 period when important foreign economies experienced adverse shocks and anemic demand. The International Monetary Fund revised up its outlook for the world economy in January, continuing a recent pattern of upward revisions, in contrast to a string of downward

revisions in 2015 and 2016.² Stronger economies abroad should increase demand for America's exports and boost the foreign earnings of U.S. companies.'

The Impact of the Current Expected Credit Loss Standard on the Timing and Comparability of Reserves (03.09.2018)

Abstract - The new forward-looking credit loss provisioning standard, CECL, is intended to promote proactive provisioning as loan loss reserves can be conditioned on expectations of the economic cycle. We study the degree to which one modeling decision—expectations about the path of future house prices – affects the size and timing of provisions for first-lien residential mortgage portfolios. While we find that provisions are generally less pro-cyclical compared to the current incurred loss standard, CECL may complicate the comparability of provisions across banks and time. Market participants will need to disentangle the degree to which variation in provisions across firms is driven by underlying risk versus differences in modeling assumptions.

Source [link](#).

Chicago Fed Survey shows steady growth in January and early February (03.07.2018)

The *Chicago Fed Survey of Business Conditions* (CFSBC) Activity Index edged down to +22 from +25, suggesting that growth in economic activity continued at a moderate pace in January and early February. The CFSBC Manufacturing Activity Index moved down to +38 from +49, and the CFSBC Nonmanufacturing Activity Index remained at +11.

- Respondents' outlooks for the U.S. economy for the next six to 12 months deteriorated some, but remained quite optimistic on balance. Respondents with optimistic outlooks highlighted the federal tax reform, good economic data, and increased demand for their firms' products. Respondents with pessimistic outlooks were concerned that rising interest rates could slow short-term growth and that the rising federal deficit could slow long-term growth.
- The pace of current hiring picked up, as did respondents' expectations for the pace of hiring over the next six to 12 months. The hiring index rose to a neutral level, and the hiring expectations index moved into positive territory.
- The pace of current capital spending increased, but respondents' expectations for the pace of capital spending over the next six to 12 months declined some. While the current capital spending index remained negative, the capital spending expectations index stayed positive.
- The wage cost pressures index decreased and moved into negative territory. In contrast, the nonwage cost pressures index increased and continued to be positive.

Source [link](#).

Seizing the Opportunity for Equitable and Inclusive Redevelopment: Galveston's Trials After Hurricane Ike Offer Lessons for Other Communities (03.01.2018)

This report focuses on Galveston, Texas, and the redevelopment of affordable public housing units following Hurricane Ike in September 2008. Nearly 10 years later, many low- and moderate-income neighborhoods and

affordable homes that once existed have not been rebuilt or replaced. The result is a community that is less economically diverse and likely to face serious workforce challenges in the coming years as it seeks to compete in one of the fastest-growing regions of the nation. While this report is about Hurricane Ike, Hurricane Harvey has given the story of Galveston’s redevelopment new relevance. The lessons learned can serve to inform individuals and communities recovering from natural disasters across the U.S.

[Read the full report](#) | [See all affordable-housing-related articles](#)

Source [link](#).

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.

Posted
Date

SUMMARY OF PROPOSED RULE

08.22.2017	In preparation for a forthcoming proposal that would simplify regulatory capital requirements, federal banking regulators on Tuesday [August 22 nd] proposed a rule that would extend the existing transitional capital treatment for certain regulatory capital deductions and risk weights. The extension would apply to banking organizations that are not subject to the agencies’ advanced approaches capital rules. As part of the recent review of regulations under the Economic Growth and Regulatory Paperwork Reduction Act, the agencies announced that they are developing a proposal that would simplify the capital rules to reduce regulatory burden, particularly for community banks. That proposal would simplify the capital rules’ treatment of mortgage servicing assets and other items. However, under the current capital rules, the transitional treatment for those items is scheduled to be replaced with a different treatment on March 1, 2018. Comments on this proposal will be accepted for 30 days after publication in the Federal Register. <u>The Notice of Proposed Rulemaking was published in the Federal Register on October 27, 2017, and comments must be received by December 26, 2017.</u>
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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:

05.11.2018	FinCEN is issued final rules under the Bank Secrecy Act to clarify and strengthen customer due diligence requirements for: Banks; brokers or dealers in securities; mutual funds; and futures commission merchants and introducing brokers in commodities. The rules contain explicit customer due diligence requirements and include a new requirement to identify and verify the identity of beneficial owners of legal entity customers, subject to certain exclusions and exemptions.
07.01.2018	<u>Availability of Funds and Collection of Checks</u> 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.
04.01.2019	<u>Prepaid Accounts under the Electronic Fund Transfer Act (Regulation E) and the Truth In Lending Act (Regulation Z)</u> . The CFPB 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 may 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 CFPB's [prepaid rule implementation page](#).

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.
CARD Act	Credit Card Accountability Responsibility and Disclosure Act of 2009
CFPB	Consumer Financial Protection Bureau
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	CFPB, 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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