

# Compliance Journal

## Special Focus

### What Are Brokered Deposits and What Is the Significance of FDIC Reform?

Brokered deposits are relatively simple in concept but subject to complex regulatory restrictions. By concept, “brokered deposit” is a term used to describe a source of funding for financial institutions. That is, funds managed by a deposit broker, being an individual who accepts and places funds in investment instruments at financial institutions, on behalf of others. This concept has evolved over the years, grown controversial, and subjected to regulatory restriction. To that extent, the question is: what deposits are considered brokered for purposes of regulatory coverage?

According to section 29 of the Federal Deposit Insurance Act (FDI Act) and Section 227 of the Federal Deposit Insurance Corporation’s (FDIC) rules and regulations, brokered deposit means any deposit that is obtained, directly or indirectly, from or through the mediation or assistance of a deposit broker.<sup>1</sup> A deposit broker is:

1. Any person engaged in the business of placing deposits, or facilitating the placement of deposits, of third parties with insured depository institutions, or the business of placing deposits with insured depository institutions for the purpose of selling interests in those deposits to third parties; and
2. An agent or trustee who establishes a deposit account to facilitate a business arrangement with an insured depository institution to use the proceeds of the account to fund a prearranged loan.

This broad language gives FDIC significant discretion to determine whether a deposit is brokered, making the above question difficult to answer.

Emerging technologies continue to create innovative deposit opportunities. For example, internet and mobile banking did not exist when the rules were written. Brokered deposits were born from new technologies, but those technologies continue to evolve, and with them, the concept of what a brokered deposit is.

#### Background

The inception of brokered deposits came with the ability to transfer funds electronically. These technologies made it quick, easy, and cheap to access before un-reached markets, which enabled greater bank liquidity and growth. Controversy exists as to whether such growth contributed to the 1980 financial crisis, an examination of which is outside the scope of this article. However, the 1980 financial crisis did result in FDIC launching a study into brokered deposits which led the agency to write rules in 1989 and amend them in 1991.

The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 added Section 29 of the FDI Act, titled “Brokered Deposits” (Section 29). Section 29 places certain restrictions on “troubled” institutions. Specifically, Section 29 provides:

1. Acceptance of brokered deposits is restricted to well-capitalized insured

depository institutions.

2. Less than well-capitalized institutions may only offer brokered deposits under certain circumstances, and with restricted rates.

In 1991 Congress enacted the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA). The FDICIA resulted in threshold adjustments to the brokered deposit restrictions under Section 29 and gave FDIC the ability to waive those restrictions under certain circumstances.

More recently, the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) amended Section 29 which excepted certain reciprocal deposits from treatment as brokered deposits. As seen above, Section 29 does not define the term “brokered deposit.” Rather, it defines the term “deposit broker.” Following EGRRCPA, on February 6, 2019, FDIC published an advance notice of proposed rulemaking and request for comment on unsafe and unsound banking practices: brokered deposits and interest rate restrictions (ANPR). The ANPR announces FDIC’s comprehensive review of its regulatory approach to brokered deposits and their interest rate caps. As part of its re-evaluation FDIC seeks comment on how it should revamp its definition of brokered deposits and interest rate restrictions.

While the EGRRCPA implementation is specific to reciprocal deposits, FDIC’s ANPR is broader in scope, and presents

1 2 C.F.R. § 337.6(a)(2)



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an opportunity to re-examine the definition and treatment of brokered deposits as a whole.

## Impact

### *How Brokered Deposits are Used*

Brokered deposits are a relatively new mechanism to the financial service industry. They provide:

1. A quick, cheap, alternative sources of funding from national markets.
2. An additional tool for institutions to maintain liquidity and interest rate risk analysis for balance sheet management.
3. A potential tool for community banks to expand their deposits and maintain funds that do not move away when the local market shifts.
4. Flexibility in availability of funds to institutions with varying demands in regional markets for deposits vs. loans.
5. Greater opportunities to match deposit terms to loan funding.
6. Alternative, competitive rates for investors.
7. An additional tool for investing institutions to manage funds.

### *Significance of Regulation under Current Rules*

As discussed above, Section 29 restricts acceptance of

brokered deposits and limits deposit interest rates. A well-capitalized institution is, generally, unrestricted. However, an undercapitalized institution may not accept, renew, or roll over any brokered deposit. An adequately capitalized institution may not accept, renew, or roll over any brokered deposit unless FDIC grants a waiver. Even though a well-capitalized institution is unrestricted, examiners consider the presence of core<sup>2</sup> and brokered deposits when evaluating liquidity management programs and assigning liquidity ratings.

Furthermore, brokered deposits are a significant source of assets for some institutions. Institutions also seek to meet their customers deposit needs in an age of constantly evolving technologies. This creates uncertainty as to whether a particular deposit qualifies as a brokered deposit. The answer to that question is complex, as it lies not only in statute, but FDIC issued studies, interpretations, advisory opinions, regulations, and an FAQ on identifying, accepting, and reporting brokered deposits.

Brokered deposit determinations are fact-specific and influenced by a number of factors. FDIC has broad discretion in application of its rules, which involves complex methodologies for determining and adjusting rates, and considers brokered deposit determinations on a case-by-case basis. For example, the term deposit broker has been applied to social media platforms, fintech, homeowners associations, and employee benefits providers. How FDIC

views brokered deposits is also up to interpretation. Fortunately, FDIC states its view of brokered deposits in its 2016 FAQ:<sup>3</sup>

“Brokered deposits can be a suitable funding source when properly managed as part of an overall, prudent funding strategy. However, some banks have used brokered deposits to fund unsound or rapid expansion of loan and investment portfolios, which has contributed to weakened financial and liquidity positions over successive economic cycles. The overuse of brokered deposits and the improper management of brokered deposits by problem institutions have contributed to bank failures and losses to the Deposit Insurance Fund.”

FDIC still appears to view brokered deposits as volatile and scrutinizes them accordingly. One direct result is rate cap limitations. By rule, rate caps only apply to less-than well capitalized banks. However, regulators have looked to the limits during exams, regardless of capital levels, pointing to potential volatility. Furthermore, under its 2009 calculation method, current rate caps are artificially low and hardly reflect what a customer can get from other sources. For example, as of April 22, 2019, a 12-month CD had a national average rate of 0.66% and a cap at 1.141%.<sup>4</sup> On

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## Wisconsin Bankers Association

4721 South Biltmore Lane,  
P.O. Box 8880, Madison,  
Wisconsin, 53708-8880

## Senior Writers

Kristine Clevén  
Scott Birrenkott

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<sup>2</sup> Core deposits are distinct from brokered deposits in that they are considered “stable,” including checking, savings, and CD accounts made by individuals rather than a deposit broker.

<sup>3</sup> FIL-42-2016, Identifying, Accepting and Reporting Brokered Deposits: Frequently Asked Questions (Updated June 30, 2016; Revised July 14, 2016).

<sup>4</sup> <https://www.fdic.gov/regulations/resources/rates/>



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April 22, 2019, the Treasury yield was at 2.46%.<sup>5</sup>

So, the current rules require financial institutions to identify deposits that are brokered, mind the rate cap limitations, and consider liquidity rating implications, in anticipation of regulatory examination. As technologies continue to evolve, and the financial industry follows those trends, the brokered deposit regulations designed before the age of online banking are outdated. For example, such broad coverage means banks seeking deposits through the internet could be subject to rate caps.

## *Significance of FDIC's ANPR*

The ANPR is an opportunity to comment and guide FDIC's future approach to brokered deposits. Issues to comment on include:

1. Clarify the definition of brokered deposit and deposit broker for the modern era of technology.

2. Create a methodology to calculate a rate cap that appropriately reflects the cost of deposits.
3. Provide examples of what brokered deposits mean to your institution with today's modern technologies (ex: internet deposits such as online, mobile banking, and social media).
4. Refocus of policy goals: original intent was to restrict large volumes of volatile funds. Brokered deposits were suspect of this category of deposit, but did not, and do not, necessarily continue to merit fierce restrictions.
5. Reconsider limitations on brokered deposit offerings for well-capitalized institutions.

FDIC's ANPR means a potential to modernize and even narrow the designation of a deposit as brokered, given the current wide scope of interpretation, stigmatization, limitation, and regulatory burden over a broad categorization of

deposits. An update to Section 29 could mean new opportunities for banks to seek funding from new sources and explore new technological applications to deposits.

## **Conclusion**

In 2019, many consumers bank from their phone. Various internet technologies give access to funds quickly, and new technologies are surely on the horizon. As businesses, banks need to accommodate these technologies in order to stay competitive. The ANPR is an opportunity to explore how brokered deposits are treated and can be better utilized. Comments can direct FDIC's regulatory framework to enhance the functionality of brokered deposits as another deposit tool.

Comments on the ANPR are due May 7, 2019. After the ANPR, FDIC will issue a proposed rule, with another opportunity for comment prior to a final rule. The ANPR can be found here: <https://www.fdic.gov/news/board/2018/2018-12-18-notice-sum-i-fr.pdf> ■

<sup>5</sup> <https://www.macrotrends.net/2492/1-year-treasury-rate-yield-chart>

# Regulatory Spotlight

## **Agencies Issue Interim Final Rule on Margin and Capital Requirements for Covered Swap Entities.**

The Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), the Federal Housing Finance Agency (FHFA), and the Farm Credit Administration (FCA) are adopting and invite comment on an interim final rule amending the Agencies' regulations that require swap dealers and security-based swap dealers under the Agencies' respective jurisdictions to exchange margin with their counterparties for swaps that are not centrally cleared (Swap Margin Rule). The Swap Margin Rule takes effect under a phased compliance schedule stretching from 2016 through 2020, and the deal-

ers covered by the rule continue to hold swaps in their portfolios that were entered into before the effective dates of the rule. Those swaps are grandfathered from the Swap Margin Rule's requirements until they expire according to their terms. There are currently financial services firms located within the United Kingdom (U.K.) that conduct swap dealing activities subject to the Swap Margin Rule. The U.K. has provided formal notice of its intention to withdraw from the European Union (E.U.) on 03/29/2019. If this transpires without a negotiated agreement between the U.K. and E.U., these entities located in the U.K. may not be authorized to provide full-scope financial services to swap counterparties located in the E.U. The Agencies' policy objective in developing the interim final rule is to address one aspect of the scenario likely to ensue, whereby entities located in the U.K. might transfer their existing swap portfolios that face coun-

terparties located in the E.U. over to an affiliate or other related establishment located within the E.U. or the United States. The Agencies seek to address industry concerns about the status of grandfathered swaps in this scenario, so the industry can focus on making preparations for swap transfers. These transfers, if carried out in accordance with the conditions of the interim final rule, will not trigger the application of the Swap Margin Rule to grandfathered swaps that were entered into before the compliance dates of the Swap Margin Rule. The interim final rule is effective **03/19/2019**, comments are due **04/18/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-19/pdf/2019-05012.pdf>. *Federal Register*, Vol. 84, No. 53, 03/19/2019, 9940-9950.



# Regulatory Spotlight

## Agencies Propose Regulatory Capital Treatment for Investments in Certain Unsecured Debt Instruments.

The Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) issued a proposed rulemaking that would address an advanced approaches banking organization's regulatory capital treatment of an investment in unsecured debt instruments issued by foreign or U.S. global systemically important banking organizations (GSIBs) for the purposes of meeting minimum total loss absorbing capacity (TLAC) and, where applicable, long-term debt (LTD) requirements, or unsecured debt instruments issued by GSIBs that are *pari passu* or subordinated to such debt instruments. Under the proposal, investments by an advanced approaches banking organization in such unsecured debt instruments generally would be subject to deduction from the advanced approaches banking organization's own regulatory capital. The proposal would reduce both interconnectedness within the financial system and systemic risk. FRB is proposing changes to regulatory reporting requirements resulting from the proposal. FRB is also proposing to require that banking organizations subject to minimum TLAC and LTD requirements under Board regulations publicly disclose their TLAC and LTD issuances in a manner described in this proposal. Comments are due **06/07/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-08/pdf/2019-06344.pdf>. *Federal Register*, Vol. 84, No. 67, 04/08/2019, 13814-13838.

## Agencies Delay Effective Date for Regulatory Capital Rule.

The Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) published in the *Federal Register* a final rule to address changes to credit loss accounting under U.S. general-

ly accepted accounting principles, including banking organizations' implementation of the current expected credit losses methodology (CECL) (final rule). The final rule had an effective date of **04/01/2019**, and provides that banking organizations may early adopt the final rule prior to that date. The agencies have determined that a delay of the effective date to **07/01/2019**, is appropriate. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-29/pdf/2019-06011.pdf>. *Federal Register*, Vol. 84, No. 61, 03/29/2019, 11879.

## CFPB Issues Winter 2019 Supervisory Highlights.

The Bureau of Consumer Financial Protection (CFPB) is issuing its eighteenth edition of its Supervisory Highlights. In this issue of Supervisory Highlights, CFPB reports examination findings in the areas of automobile loan servicing, deposits, mortgage servicing, and remittances that were generally completed between June 2018 and November 2018. The report does not impose any new or different legal requirements, and all violations described in the report are based only on those specific facts and circumstances noted during those examinations. As in past editions, this report includes information about recent public enforcement actions that were a result, at least in part, of our supervisory work. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-18/pdf/2019-04987.pdf>. *Federal Register*, Vol. 84, No. 52, 03/18/2019, 9762-9767.

## CFPB Requests Comment on Information Collections.

- CFPB announced it seeks comment on the information collection titled Equal Credit Opportunity Act (Regulation B) 12 CFR 1002. CFPB also gave notice that they sent the collection to OMB for review. Comments are due **05/20/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-20/pdf/2019-05190.pdf>. *Federal Reg-*

*ister*, Vol. 84, No. 54, 03/20/2019, 10301-10302.

- CFPB announced it seeks comment on the information collection titled Report of Terms of Credit Card Plan. CFPB also gave notice that they sent the collection to OMB for review. Comments are due **05/20/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-20/pdf/2019-05191.pdf>. *Federal Register*, Vol. 84, No. 54, 03/20/2019, 10301.
- CFPB announced it seeks comment on the information collection titled Generic Information Collection Plan for the Collection of Qualitative Feedback on the Service Delivery of the Bureau of Consumer Financial Protection. CFPB also gave notice that they sent the collection to OMB for review. Comments are due **04/25/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-26/pdf/2019-05694.pdf>. *Federal Register*, Vol. 84, No. 58, 03/26/2019, 11288-11289.
- CFPB announced it seeks comment on the information collection titled Consumer Response Government and Congressional Portal Boarding Forms. CFPB also gave notice that they sent the collection to OMB for review. Comments are due **05/01/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-01/pdf/2019-06171.pdf>. *Federal Register*, Vol. 84, No. 62, 04/01/2019, 12235-12236.
- CFPB announced it seeks comment on the information collection titled Real Estate Settlement Procedures Act. CFPB also gave notice that they sent the collection to OMB for review. Comments are due **06/07/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-08/pdf/2019-06789.pdf>. *Federal Register*, Vol. 84, No. 67, 04/08/2019, 13911.





# Regulatory Spotlight

## CFPB Solicits Applications for Advisory Committee Membership.

CFPB invites the public to apply for membership for appointment to its Consumer Advisory Board (CAB), Community Bank Advisory Council, Credit Union Advisory Council (CUAC), and Academic Research Council (ARC), (collectively, advisory committees). Membership of the advisory committees includes representatives of consumers, diverse communities, the financial services industry, academics, and economists. Appointments to the committees are generally for two years. Applications are due **05/05/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-22/pdf/2019-05506.pdf>. *Federal Register*, Vol. 84, No. 56, 03/22/2019, 10801-10802.

## CFPB Issues Notice of Renewal of Community Bank Advisory Council.

CFPB will establish the Community Banker Advisory Council (CBAC) effective on **03/21/2019**. CBAC was established to consult with the Bureau in the exercise of its functions under the Federal consumer financial laws as they pertain to community banks with total assets of \$10 billion or less. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-22/pdf/2019-05451.pdf>. *Federal Register*, Vol. 84, No. 56, 03/22/2019, 10800-10801.

## FRB Finalizes Amendments to Capital Plan Rule.

The Board of Governors of the Federal Reserve System (FRB) is amending the capital plan rule to limit the scope of potential objections to a firm's capital plan on the basis of qualitative deficiencies in the firm's capital planning process (qualitative objection). In particular, effective **03/13/2019**, the FRB will no longer issue a qualitative objection under the capital plan rule to a firm if the firm has been subject to a potential qualitative objection for four consecutive years, and the firm

does not receive a qualitative objection in the fourth year of that period. In addition, except for certain firms that have received a qualitative objection in the immediately prior year, FRB will no longer issue a qualitative objection to any firm effective **01/01/2021**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-13/pdf/2019-04515.pdf>. *Federal Register*, Vol. 84, No. 49, 03/13/2019, 8953-8958.

## FRB Requests Comment on Proposing Amendments to Regulation D.

FRB is requesting comment on whether it should propose amendments to its Regulation D, Reserve Requirements of Depository Institutions, to lower the rate of interest paid on excess balances maintained at Federal Reserve Banks by eligible institutions that hold a very large proportion of their assets in the form of balances at Reserve Banks. Comments are due **05/13/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-12/pdf/2019-04348.pdf>. *Federal Register*, Vol. 84, No. 48, 03/12/2019, 8829-8831.

## FRB Solicits Applications for Membership of the Community Advisory Council.

FRB established the Community Advisory Council (CAC) as an advisory committee to the Board on issues affecting consumers and communities. FRB issued a notice advising individuals who wish to serve as CAC members of the opportunity to be considered for the CAC. Applications are due **05/31/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-05/pdf/2019-06406.pdf>. *Federal Register*, Vol. 84, No. 66, 04/05/2019, 13666-13668.

## FRB Requests Comment on Information Collections.

- FRB announced it seeks comment on the information collection titled Re-

cordkeeping and Disclosure Requirements Associated with Regulation V. FRB also gave notice that it sent the collection to OMB for review. Comments are due **05/20/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-19/pdf/2019-05095.pdf>. *Federal Register*, Vol. 84, No. 53, 03/19/2019, 10070-10071.

- FRB announced it seeks comment on the information collection titled Federal Reserve Payments Study. FRB also gave notice that it sent the collection to OMB for review. Comments are due **05/28/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-27/pdf/2019-05823.pdf>. *Federal Register*, Vol. 84, No. 59, 03/27/2019, 11541-11545.
- FRB announced it seeks comment on the information collection titled Request for Extension of Time to Dispose of Assets Acquired in Satisfaction of Debts Previously Contracted (DPC). FRB also gave notice that it sent the collection to OMB for review. Comments are due **06/03/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-03/pdf/2019-06434.pdf>. *Federal Register*, Vol. 84, No. 64, 04/03/2019, 13044-13046.
- FRB announced it seeks comment on the information collection titled Market Risk Capital Rule. FRB also gave notice that it sent the collection to OMB for review. Comments are due **06/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-09/pdf/2019-06991.pdf>. *Federal Register*, Vol. 84, No. 68, 04/09/2019, 14113-14115.



# Regulatory Spotlight

## **FDIC Finalizes Amendments to Regulations on Disclosure of Financial and Other Information by FDIC-Insured State Nonmember Banks.**

The Federal Deposit Insurance Corporation (FDIC) is amending its regulations by rescinding and removing its regulations entitled Disclosure of Financial and Other Information By FDIC-Insured State Nonmember Banks. Upon the removal of the regulations, all insured state nonmember banks and insured state-licensed branches of foreign banks would no longer be subject to the annual disclosure statement requirement set out in the existing regulations. The financial and other information that has been subject to disclosure by individual banks under the regulations is publicly available through FDIC's website. The amendments are effective **04/17/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-18/pdf/2019-04944.pdf>. *Federal Register*, Vol. 84, No. 52, 03/18/2019, 9698-9702.

## **FDIC Proposes Amendments to Joint Ownership Deposit Accounts Regulation.**

FDIC issued a proposed rule that would amend the regulation governing one of the requirements for an account to be separately insured as a joint account. Specifically, the proposed rule would provide an alternative method to satisfy the "signature card" requirement. Under the proposal, the "signature card" requirement could be satisfied by information contained in the deposit account records of the insured depository institution establishing co-ownership of the deposit account, such as evidence that the institution has issued a mechanism for accessing the account to each co-owner or evidence of usage of the deposit account by each co-owner. Comments are due **05/06/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-04/pdf/2019-06534.pdf>. *Federal Register*, Vol. 84, No. 65, 04/04/2019, 13143-13148.

## **FDIC Requests Comment on Information Collection.**

FDIC announced it seeks comment on the information collection titled Interagency Complaint Form. FDIC also gave notice that they sent the collection to OMB for review. Comments are due **05/14/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-15/pdf/2019-04693.pdf>. *Federal Register*, Vol. 84, No. 51, 03/15/2019, 9520-9521.

## **FDIC Issues Terminations of Receivership.**

FDIC as Receiver was charged with the duty of winding up the affairs of former depository institutions and liquidating all related assets. The Receiver has fulfilled its obligations and made all dividend distributions required by law. The Receiver has further irrevocably authorized and appointed FDIC-Corporate as its attorney-in-fact to execute and file any and all documents that may be required to be executed by the Receiver which FDIC-Corporate, in its sole discretion, deems necessary, including but not limited to releases, discharges, satisfactions, endorsements, assignments, and deeds. Effective on the termination dates listed in the final column of the chart in the notice, the Receiverships have been terminated, the Receiver has been discharged, and the Receiverships have ceased to exist as legal entities. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-05/pdf/2019-06712.pdf>. *Federal Register*, Vol. 84, No. 66, 04/05/2019, 13666.

## **OCC Proposes Amendments to Assessment of Fees.**

The Office of the Comptroller of the Currency (OCC) proposes to revise its assessment rules to provide partial assessment refunds to national banks, Federal savings associations, and Federal branches and agencies of foreign banks that exit OCC jurisdiction within the first half of each six-month period beginning the day after the date of the second or

fourth quarterly Consolidated Report of Condition and Income (Call Report). The proposed rule would not change the current dates of collection for assessments nor would it change the way in which assessments are calculated for banks that remain under OCC's supervision. The proposed rule would also make technical changes to the assessments rules. Comments are due **04/19/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-20/pdf/2019-05128.pdf>. *Federal Register*, Vol. 84, No. 54, 03/20/2019, 10270-10274.

## **OCC Requests Comment on Information Collection.**

- OCC announced it seeks comment on the information collection titled Disclosure and Reporting of CRA-Related Agreements. OCC also gave notice that it sent the collection to OMB for review. Comments are due **05/28/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-29/pdf/2019-06019.pdf>. *Federal Register*, Vol. 84, No. 61, 03/29/2019, 12032-12033.
- OCC announced it seeks comment on the information collection titled Fiduciary Activities. OCC also gave notice that it sent the collection to OMB for review. Comments are due **04/29/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-29/pdf/2019-06020.pdf>. *Federal Register*, Vol. 84, No. 61, 03/29/2019, 12031-12032.
- OCC announced it seeks comment on the information collection titled Margin and Capital Requirements for Covered Swap Entities. OCC also gave notice that it sent the collection to OMB for review. Comments are due **05/28/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-29/pdf/2019-06085.pdf>. *Federal Register*, Vol. 84, No. 61, 03/29/2019, 12031-12032.



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- OCC announced it seeks comment on the information collection titled Securities Exchange Act Disclosure Rules and Securities of Federal Savings Associations. OCC also gave notice that it sent the collection to OMB for review. Comments are due **05/28/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-29/pdf/2019-06017.pdf>. *Federal Register*, Vol. 84, No. 61, 03/29/2019, 12029-12031.
  - OCC announced it seeks comment on the information collection titled Funding and Liquidity Risk Management. OCC also gave notice that it sent the collection to OMB for review. Comments are due **05/01/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-01/pdf/2019-06154.pdf>. *Federal Register*, Vol. 84, No. 62, 04/01/2019, 12325-12326.
  - OCC announced it seeks comment on the information collection titled Leveraged Lending. OCC also gave notice that it sent the collection to OMB for review. Comments are due **05/01/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-01/pdf/2019-06151.pdf>. *Federal Register*, Vol. 84, No. 62, 04/01/2019, 12326-12327.
  - OCC announced it seeks comment on the information collection titled Municipal Securities Dealers and Government Securities Brokers and Dealers—Registration and Withdrawal. OCC also gave notice that it sent the collection to OMB for review. Comments are due **05/31/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-01/pdf/2019-06155.pdf>. *Federal Register*, Vol. 84, No. 62, 04/01/2019, 12324-12325.
  - OCC announced it seeks comment on the information collection titled FFIEC Cybersecurity Assessment Tool. OCC also gave notice that it sent the collection to OMB for review. Comments are due **06/04/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-05/pdf/2019-06644.pdf>. *Federal Register*, Vol. 84, No. 66, 04/05/2019, 13786-13787.
  - OCC announced it seeks comment on the information collection titled Leasing. OCC also gave notice that it sent the collection to OMB for review. Comments are due **05/06/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-05/pdf/2019-06643.pdf>. *Federal Register*, Vol. 84, No. 66, 04/05/2019, 13784-13785.
  - OCC announced it seeks comment on the information collection titled OCC Supplier Registration Form. OCC also gave notice that it sent the collection to OMB for review. Comments are due **06/04/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-05/pdf/2019-06642.pdf>. *Federal Register*, Vol. 84, No. 66, 04/05/2019, 13785-13786.
  - OCC announced it seeks comment on the information collection titled Notice Regarding Unauthorized Access to Customer Information. Comments are due **06/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-09/pdf/2019-06922.pdf>. *Federal Register*, Vol. 84, No. 68, 04/09/2019, 14194-14195.
- HUD Requests Comment on Information Collections.**
- The Department of Housing and Urban Development (HUD) announced it seeks comment on the information collection titled Application for FHA Insured Mortgages. HUD also gave notice that it sent the collection to OMB for review. Comments are due **04/11/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-12/pdf/2019-04497.pdf>. *Federal Register*, Vol. 84, No. 48, 03/12/2019, 8886-8887.
  - HUD announced it seeks comment on the information collection titled FHA Lender Approval, Annual Renewal, Periodic Updates and Required Reports by FHA-Approved Lenders. HUD also gave notice that it sent the collection to OMB for review. Comments are due **05/13/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-12/pdf/2019-04492.pdf>. *Federal Register*, Vol. 84, No. 48, 03/12/2019, 8888-8889.
  - HUD announced it seeks comment on the information collection titled Public/Private Partnerships for the Mixed-Finance Development of Public Housing Units. HUD also gave notice that it sent the collection to OMB for review. Comments are due **04/11/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-12/pdf/2019-04493.pdf>. *Federal Register*, Vol. 84, No. 48, 03/12/2019, 8885-8886.
  - HUD announced it seeks comment on the information collection titled Request for Termination of Multifamily Mortgage Insurance. HUD also gave notice that it sent the collection to OMB for review. Comments are due **04/22/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-22/pdf/2019-05542.pdf>. *Federal Register*, Vol. 84, No. 56, 03/22/2019, 10830-10831.
  - HUD announced it seeks comment on the information collection titled Legal Instructions Concerning Applications for Full Insurance Benefits—Assignment of Multifamily Mortgage to the Secretary. HUD also gave notice that it sent the collection to OMB for review. Comments are due **04/26/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-22/pdf/2019-05542.pdf>. *Federal Register*, Vol. 84, No. 56, 03/22/2019, 10830-10831.





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[www.govinfo.gov/content/pkg/FR-2019-03-27/pdf/2019-05888.pdf](http://www.govinfo.gov/content/pkg/FR-2019-03-27/pdf/2019-05888.pdf). *Federal Register*, Vol. 84, No. 59, 03/26/2019, 11552-11553.

- HUD announced it seeks comment on the information collection titled Manufactured Home Construction and Safety Standards Program. HUD also gave notice that it sent the collection to OMB for review. Comments are due **06/04/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-05/pdf/2019-06762.pdf>. *Federal Register*, Vol. 84, No. 66, 04/05/2019, 13694-13695.
- HUD announced it seeks comment on the information collection titled Request for Termination of Multifamily Mortgage Insurance. HUD also gave notice that it sent the collection to OMB for review. Comments are due **05/08/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-08/pdf/2019-06861.pdf>. *Federal Register*, Vol. 84, No. 67, 04/08/2019, 13948-13949.
- HUD announced it seeks comment on the information collection titled Title I Property Improvement and Manufactured Home Loan Programs. HUD also gave notice that it sent the collection to OMB for review. Comments are due **06/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-09/pdf/2019-06967.pdf>. *Federal Register*, Vol. 84, No. 68, 04/09/2019, 14128-14129.

## HUD Removes Obsolete and Superseded Guidance Documents.

HUD announced that as part of its continuing effort to implement Executive Orders 13771, “Reducing Regulation and Controlling Regulatory Costs,” and 13777, “Enforcing the Regulatory Reform Agenda,” this notice announces that the Department has completed a comprehensive review of all administrative guidance

and that certain guidance documents deemed unnecessary and obsolete will be removed from HUD’s program websites. The removal of this unnecessary and obsolete guidance material will reduce compliance burdens, promote regulatory analysis, fair notice and administrative due process. This is the first phase of document removal; HUD anticipates a second phase of removal of obsolete guidance. The removal of this material will make it easier for HUD constituents and members of the public seeking to determine the guidance that currently applies. In some cases, documents may continue to be accessible in an online archive, such as for historical or research purposes. The archived documents will be clearly marked to indicate that such documents are no longer applicable. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-05/pdf/2019-06757.pdf>. *Federal Register*, Vol. 84, No. 66, 04/05/2019, 13695-13709.

## HUD Issues Adjustment of Civil Monetary Penalty Amounts.

HUD issued 2019 inflation adjustments of civil monetary penalty amounts required by the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015. The adjustments are effective **04/15/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-15/pdf/2019-04898.pdf>. *Federal Register*, Vol. 84, No. 51, 03/15/2019, 9451-9454.

## FEMA Issues Final Notices of Changes in Flood Hazard Determinations.

- The Federal Emergency Management Agency (FEMA) issued new or modified Base (1% annual-chance) Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, and/or regulatory floodways (hereinafter referred to as flood hazard determinations) as shown on the indicated Letter of Map Revision (LOMR) for

communities in the states of **Illinois, Indiana, Michigan, Nebraska, Ohio, and Wisconsin**. Each LOMR revises the Flood Insurance Rate Maps (FIRMs), and in some cases the Flood Insurance Study (FIS) reports, currently in effect for the listed communities. The flood hazard determinations modified by each LOMR will be used to calculate flood insurance premium rates for new buildings and their contents. The effective date for each LOMR is indicated in the table in the final notice. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-19/pdf/2019-05105.pdf>. *Federal Register*, Vol. 84, No. 53, 03/19/2019, 10105-10108.

- FEMA issued new or modified Base (1% annual-chance) Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, and/or regulatory floodways (hereinafter referred to as flood hazard determinations) as shown on the indicated Letter of Map Revision (LOMR) for communities in the states of **Illinois, Indiana, Minnesota, Nebraska, Ohio, and Wisconsin**. Each LOMR revises the Flood Insurance Rate Maps (FIRMs), and in some cases the Flood Insurance Study (FIS) reports, currently in effect for the listed communities. The flood hazard determinations modified by each LOMR will be used to calculate flood insurance premium rates for new buildings and their contents. The effective date for each LOMR is indicated in the table in the final notice. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-29/pdf/2019-06080.pdf>. *Federal Register*, Vol. 84, No. 61, 03/29/2019, 11993-11996.
- FEMA issued new or modified Base (1% annual-chance) Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, and/or regulatory floodways (hereinafter referred to as flood hazard determinations) as





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shown on the indicated Letter of Map Revision (LOMR) for communities in the states of **Illinois, Indiana, Iowa, and Ohio**. Each LOMR revises the Flood Insurance Rate Maps (FIRMs), and in some cases the Flood Insurance Study (FIS) reports, currently in effect for the listed communities. The flood hazard determinations modified by each LOMR will be used to calculate flood insurance premium rates for new buildings and their contents. The effective date for each LOMR is indicated in the table in the final notice. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-05/pdf/2019-06685.pdf>. *Federal Register*, Vol. 84, No. 66, 04/05/2019, 13681-13683.

## OFAC Requests Comment on Information Collection.

The Office of Foreign Assets Control (OFAC) announced it seeks comment on the information collection titled OFAC Application for the Release of Blocked Funds. OFAC also gave notice that it sent the collection to OMB for review. Comments are due **05/28/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-29/pdf/2019-06084.pdf>. *Federal Register*, Vol. 84, No. 61, 03/29/2019, 12036.

## Treasury Finalizes Elimination of Unnecessary Tax Regulations.

The Department of the Treasury (Treasury) removed from the Code of Federal Regulations 296 regulations that are no longer necessary because they do not have any current or future applicability under the Internal Revenue Code and amend 79 regulations to reflect the removal of the 296 regulations. The removal and amendment of these regulations may affect various categories of taxpayers by simplifying the Code of Federal Regulations. The regulations are effective **03/14/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-14/pdf/2019-03474.pdf>. *Federal Register*, Vol. 84, No. 50, 03/14/2019, 9231-9239.

## Treasury Finalizes Amendments to CAPTA List.

Treasury is amending the Iranian Financial Sanctions Regulations (IFSR) and the Hizballah Financial Sanctions Regulations (HFSR) to incorporate references to the new List of Foreign Financial Institutions Subject to Correspondent Account or Payable-Through Account Sanctions (CAPTA List). The amendments are effective **03/15/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-15/pdf/2019-04842.pdf>. *Federal Register*, Vol. 84, No. 51, 03/15/2019, 9456-9458.

## Treasury Finalizes Arbitrage Investment Restrictions on Tax-Exempt Bonds.

Treasury issued final regulations regarding the arbitrage investment restrictions under section 148 of the Internal Revenue Code (Code) applicable to tax-exempt bonds and other tax-advantaged bonds issued by State and local governments. The final regulations clarify existing regulations regarding the definition of “investment-type property” by expressly providing an exception for investment in capital projects that are used in furtherance of the public purposes of the bonds. The final regulations affect State and local governmental issuers of these bonds and potential investors in capital projects financed with these bonds. The regulations are effective **04/09/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-09/pdf/2019-06937.pdf>. *Federal Register*, Vol. 84, No. 68, 04/09/2019, 14006-14007.

## Treasury Finalizes Regulations Relating to Verification and Certification Requirements for Certain Entities and Reporting by Foreign Financial Institutions.

Treasury finalized regulations providing compliance requirements and verification procedures for sponsoring entities of foreign financial institutions (FFIs)

and certain non-financial foreign entities (NFFEs), trustees of certain trustee-documented trusts, registered deemed-compliant FFIs, and financial institutions that implement consolidated compliance programs (compliance FIs). These final regulations affect certain financial institutions and NFFEs. The regulations are effective **03/25/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-25/pdf/2019-05527.pdf>. *Federal Register*, Vol. 84, No. 57, 03/25/2019, 10976-10989.

## Treasury Issues Correction to Verification and Certification Requirements for Certain Entities and Reporting by Foreign Financial Institutions.

Treasury issued a final rule in the *Federal Register* on **03/25/2019** regarding verification procedures for sponsoring entities of foreign financial institutions and certain non-financial foreign entities. Treasury has now issued a correction to the **03/25/2019** rule containing technical corrections. The corrections may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-04/pdf/C1-2019-05527.pdf>. *Federal Register*, Vol. 84, No. 65, 04/04/2019, 13121.

## Treasury Proposes Amendments to Information Reporting for Certain Life Insurance Contract Transactions and Modifications.

Treasury proposed regulations providing guidance on new information reporting obligations under section 6050Y related to reportable policy sales of life insurance contracts and payments of reportable death benefits. The proposed regulations also provide guidance on the amount of death benefits excluded from gross income under section 101 following a reportable policy sale. The proposed regulations affect parties involved in certain life insurance contract transactions, including reportable policy sales, transfers of life insurance contracts to foreign persons, and payments of reportable death benefits. Comments



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are due **05/09/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-25/pdf/2019-05400.pdf>. *Federal Register*, Vol. 84, No. 57, 03/25/2019, 11009-11028.

## Treasury Requests Comment on Information Collections.

- Treasury announced it seeks comment on the information collection titled CDFI Program and NACA Program Financial Assistance and Technical Assistance Applications. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **05/13/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-12/pdf/2019-04440.pdf>. *Federal Register*, Vol. 84, No. 48, 03/12/2019, 8947-8949.
- Treasury announced it seeks comment on the information collection titled Information Reporting for Payments Made in Settlement of Payment Card and Third-Party Network Transactions. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **06/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-09/pdf/2019-06921.pdf>. *Federal Register*, Vol. 84, No. 68, 04/09/2019, 14195-14196.

## Treasury Issues Pricing and Pricing Changes for 2019 United States Mint Numismatic Products.

Treasury is establishing a price for a new United States Mint numismatic product. The price is in the table in the notice. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-27/pdf/2019-05882.pdf>. *Federal Register*, Vol. 84, No. 59, 03/27/2019, 11634.

## Treasury Issues Notice of Funding Availability for Financial Assistance Awards or Technical Assistance Grants Under the CDFI Program.

Treasury issued a notice of funds availability inviting applications for financial assistance awards or technical assistance grants under the community development financial institutions program (CDFI program) fiscal year 2019 funding round. The notice contains a table of key deadlines for applicants. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-05/pdf/2019-06622.pdf>. *Federal Register*, Vol. 84, No. 66, 04/05/2019, 13740-13761.

## Treasury Issues Notice of Funding Availability for Financial Assistance Awards or Technical Assistance Grants Under the Native American CDFI Assistance Program.

Treasury issued a notice of funds availability inviting applications for financial assistance awards or technical assistance grants under the Native American CDFI Assistance (NACA Program) fiscal year 2019 funding round. The notice contains a table of key deadlines for applicants. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-05/pdf/2019-06623.pdf>. *Federal Register*, Vol. 84, No. 66, 04/05/2019, 13761-13783.

## FHFA Issues Civil Monetary Penalty Inflation Adjustments.

The Federal Housing Finance Agency (FHFA) is adopting this final rule amending its Rules of Practice and Procedure and other agency regulations to adjust each civil money penalty within its jurisdiction to account for inflation, pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015. The adjustments are effective **04/17/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-18/pdf/2019-04943.pdf>. *Federal Register*, Vol. 84, No. 52, 03/18/2019, 9702-9705.

## FHFA Requests Comment on Members Subject to Review.

FHFA is announcing that FHFA will review all applicable Federal Home Loan Bank members in 2019 under FHFA's community support requirements regulation. FHFA invites the public to comment on the community support performance of individual members. Comments are due **04/29/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-28/pdf/2019-05980.pdf>. *Federal Register*, Vol. 84, No. 60, 03/28/2019, 11782-11783.

## SBA Requests Comment on Information Collection.

The Small Business Administration (SBA) announced it seeks comment on the information collection titled Surety Bond Guarantee Assistance. SBA also gave notice that it sent the collection to OMB for review. Comments are due **05/21/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-22/pdf/2019-05477.pdf>. *Federal Register*, Vol. 84, No. 56, 03/22/2019, 10880-10881.

## SBA Issues Civil Monetary Penalties Inflation Adjustments.

SBA is amending its regulations to adjust for inflation the amount of certain civil monetary penalties that are within the jurisdiction of the agency. These adjustments comply with the requirement in the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, to make annual adjustments to the penalties. The rule also makes a technical amendment to ensure that a reference to the penalty amount imposed on SBA Supervised Lenders for failure to file reports is consistent with current and future adjustments. The adjustments are effective **04/01/2019**. The notice may be viewed at:



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<https://www.govinfo.gov/content/pkg/FR-2019-04-01/pdf/2019-06260.pdf>. *Federal Register*, Vol. 84, No. 62, 04/01/2019, 12059-12061.

## SBA Issues Peg Rate.

SBA publishes an interest rate called the optional “peg” rate (13 CFR 120.214) on a quarterly basis. This rate is a weighted average cost of money to the government for maturities similar to the average SBA direct loan. This rate may be used as a base rate for guaranteed fluctuating interest rate SBA loans. This rate will be 2.88 percent for the April– June quarter of FY 2019. Pursuant to 13 CFR 120.921(b), the maximum legal interest rate for any third party lender’s commercial loan which funds any portion of the cost of a 504 project (see 13 CFR 120.801) shall be 6 percent over the New York Prime rate or, if that exceeds the maximum interest rate permitted by the constitution or laws of a given State, the maximum interest rate will be the rate permitted by the constitution or laws of the given State. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-22/pdf/2019-05544.pdf>. *Federal Register*, Vol. 84, No. 56, 03/22/2019, 10881.

## FCIC Requests Comment on Information Collection.

The Federal Crop Insurance Corporation (FCIC) announced it seeks comment on the information collection titled Interpretations of Statutory and Regulatory Provisions and Written Interpretations of FCIC Procedures. FCIC also gave notice that it sent the collection to OMB for review. Comments are due **05/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-11/pdf/2019-04279.pdf>. *Federal Register*, Vol. 84, No. 47, 03/11/2019, 8661-8662.

## FCIC Withdraws Forage Seeding Crop Insurance Provisions.

FCIC is withdrawing a final rule with request for comments published in the *Federal Register* on **12/10/2018**, titled

Common Crop Insurance Regulations; Forage Seeding Crop Insurance Provisions. FCIC updated the Forage Seeding Crop Provisions (CP) to better reflect current agricultural practices and allow for variations in insurance provisions based on regionally-specific agronomic conditions and potential future expansions. The Forage Seeding CP cover losses from insured perils during the year of planting forage and would provide continuous coverage throughout the year of planting effective for the 2020 crop year. FCIC withdraws the Forage Seeding final rule due to the need to address outstanding issues, conduct additional research, and obtain data for program expansion to ensure continuous coverage between the year of planting and after the crop has been established. The withdrawal is effective **03/26/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-26/pdf/2019-05718.pdf>. *Federal Register*, Vol. 84, No. 58, 03/26/2019, 11211.

## RHS Solicits Applications to Rural Community Development Initiative.

The Rural Housing Service (RHS) announces the acceptance of applications under the Rural Community Development Initiative (RCDI) program. Applicants must provide matching funds in an amount at least equal to the Federal grant. These grants will be made to qualified intermediary organizations that will provide financial and technical assistance to recipients to develop their capacity and ability to undertake projects related to housing, community facilities, or community and economic development that will support the community. RHS is accepting fiscal year (FY) 2019 applications for the RCDI program. Successful applications will be selected by RHS for funding and subsequently awarded from funds appropriated for the RCDI program. RHS will publish the amount of funding on its website at <https://www.rd.usda.gov/newsroom/notice-solicitation-applications-nosas>. Applications are due **06/10/2019**. The notice may be viewed at: [https://www.govinfo.gov/content/pkg/FR-2019-03-27/pdf/2019-](https://www.govinfo.gov/content/pkg/FR-2019-03-27/pdf/2019-05836.pdf)

[05836.pdf](https://www.govinfo.gov/content/pkg/FR-2019-03-27/pdf/2019-05836.pdf). *Federal Register*, Vol. 84, No. 59, 03/27/2019, 11493-11502.

## FASB Issues Interpretation of Federal Financial Accounting Standards 8.

The Federal Accounting Advisory Board (FASB) has issued Interpretation of Federal Financial Accounting Standards 8: An Interpretation of Statement of Federal Financial Accounting Standards (SFFAS) 56, Classified Activities. Interpretation 8 will be maintained by FASB. Due to the classified nature of Interpretation 8, contact FASB to arrange access to Interpretation 8 as needed. FASB will provide access to the Interpretation following appropriate security procedures. To request access to Interpretation 8 please contact Monica Valentine at [valentinem@fasab.gov](mailto:valentinem@fasab.gov). The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-28/pdf/2019-06005.pdf>. *Federal Register*, Vol. 84, No. 60, 03/28/2019, 11781-11782.

## FCA Proposes Amendments to Criteria to Reinstate Non-Accrual Loans.

The Farm Credit Administration (FCA) proposes amending existing regulations governing how the Farm Credit System (System) classifies high-risk loans to improve the loan classification and reinstatement process. The proposed rule would clarify the factors considered when categorizing high-risk loans and placing them in nonaccrual status. The rule would also revise both the reinstatement criteria and its application to certain loans in nonaccrual status to distinguish between the types of risk that led to a loan being placed in nonaccrual status. Comments are due **07/03/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-03/pdf/2019-06216.pdf>. *Federal Register*, Vol. 84, No. 64, 04/03/2019, 12959-12966.





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## FTC Confirms CAN-SPAM Act Rule.

The Federal Trade Commission (FTC) has completed its regulatory review of its rule implementing the Controlling the Assault of Non-Solicited Pornography and Marketing Act (CAN-SPAM Act) as part of the agency's periodic review of all its regulations and guides, and has determined to retain the Rule in its present form. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-04/pdf/2019-06562.pdf>. *Federal Register*, Vol. 84, No. 65, 04/04/2019, 13115-13121.

## FTC Proposes Amendments to Privacy of Consumer Financial Information Rule.

FTC is proposing to amend its Privacy Rule for certain financial institutions subject to the Rule to revise the Rule's scope, to modify the Rule's definitions of "financial institution" and "federal functional regulator," and to update the Rule's annual customer privacy notice requirement. The proposed amendments will also remove certain examples in the Rule that apply to financial institutions that now fall outside the scope of the FTC's Rule. This action is necessary to conform the Rule to the current requirements of the Gramm-Leach-Bliley Act (GLBA), as amended by the Dodd-Frank and FAST Acts, and will clarify which financial institutions are covered by the FTC's Rule and their annual customer privacy notice obligations under the Rule. Comments are due **06/03/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-04/pdf/2019-06039.pdf>. *Federal Register*, Vol. 84, No. 65, 04/04/2019, 13150-13158.

## FTC Proposes Amendments to Standards for Safeguarding Customer Information.

FTC is proposing to amend the Standards for Safeguarding Customer Information. The proposal contains five main modifications to the existing Rule. First, it adds provisions designed to provide covered

financial institutions with more guidance on how to develop and implement specific aspects of an overall information security program. Second, it adds provisions designed to improve the accountability of financial institutions' information security programs. Third, it exempts small businesses from certain requirements. Fourth, it expands the definition of "financial institution" to include entities engaged in activities that FRB determines to be incidental to financial activities. Finally, FTC proposes to include the definition of "financial institution" and related examples in the Rule itself rather than cross-reference them from a related FTC rule, the Privacy of Consumer Financial Information Rule. Comments are due **06/03/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-04/pdf/2019-04981.pdf>. *Federal Register*, Vol. 84, No. 65, 04/04/2019, 13158-13177.

## FCC Finalizes Amendments to Opt-Out Notice Requirement for Faxes.

The Federal Communications Commission (FCC) is eliminating the rule that requires an opt-out notice on fax advertisements sent with the recipient's prior express permission or consent. This rule was declared unlawful by the United States Court of Appeals for the D.C. Circuit and therefore its elimination is warranted to ensure uniform and consistent application of the rules. The amendments are effective **03/20/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-20/pdf/2019-05276.pdf>. *Federal Register*, Vol. 84, No. 54, 03/20/2019, 10266-10267.

## NCUA Finalizes Amendments to Loans to Members and Lines of Credit to Members.

The National Credit Union Administration (NCUA) is amending its regulations regarding loans to members and lines of credit to members to reduce regulatory burden, improve clarity, and make compliance easier. The amendments make the NCUA's regulations more user friendly by

identifying in one section all of the various maturity limits applicable to federal credit union (FCU) loans, stating that the maturity date for a new loan under generally accepted accounting principles (GAAP) is calculated from the origination date of the new loan, and more clearly expressing the limits for loans to a single borrower or group of associated borrowers. The amendments are effective **04/24/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-25/pdf/2019-05186.pdf>. *Federal Register*, Vol. 84, No. 57, 03/25/2019, 10971-10976.

## NCUA Requests Comment on Information Collections.

- NCUA announced it seeks comment on the information collection titled Joint Standards for Assessing the Diversity Policies and Practices. NCUA also gave notice that it sent the collection to OMB for review. Comments are due **05/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-11/pdf/2019-04337.pdf>. *Federal Register*, Vol. 84, No. 47, 03/11/2019, 8766.
- NCUA announced it seeks comment on the information collection titled Proof of Concept Application for New Charter Organizing Groups. NCUA also gave notice that it sent the collection to OMB for review. Comments are due **05/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-11/pdf/2019-04339.pdf>. *Federal Register*, Vol. 84, No. 47, 03/11/2019, 8765-8766.
- NCUA announced it seeks comment on the information collection titled Borrowed Funds from Natural Persons. NCUA also gave notice that it sent the collection to OMB for review. Comments are due **06/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-04-09/pdf/2019-06969.pdf>. *Federal Register*, Vol. 84, No. 68, 04/09/2019, 14135-14136.



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## EEOC Issues Civil Monetary Penalty Inflation Adjustments.

The Equal Employment Opportunity Commission (EEOC) adjusts for inflation the civil monetary penalty for violation of the notice-posting requirements in Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, and the Genetic Information Non-Discrimination Act. The adjustments are effective **04/22/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-03-21/pdf/2019-05386.pdf>. *Federal Register*, Vol. 84, No. 55, 03/21/2019, 10410-10411. ■

## Compliance Notes

▲ CFPB has released a new Your Money, Your Goals booklet titled “Want credit to work for you?” The booklet is designed to help individuals start a conversation with someone about credit reports and scores. The Your Money, Your Goals resources may be viewed at: <https://www.consumerfinance.gov/practitioner-resources/your-money-your-goals/>

▲ FDIC has released the March 2019 edition of Consumer News which includes an article on rewards cards, and the ways to choose and use them effectively. The March edition may be viewed at: <https://www.fdic.gov/consumers/consumer/news/march2019.html>

▲ The Military Lending Act’s website was updated on 04/09/2019. As a result of this upgrade Name fields (First, Middle, and Last) will no longer accept numeric characters. Users can only enter Alphabetic characters (A-Z and a-z), spaces ( ), dashes (-), and apostrophes (') in the Name fields. This change was implemented as an additional security measure. The website may be viewed at: <https://mla-ap.dmdc.osd.mil/mla/#/home>

▲ CFPB has published Home Mortgage Disclosure Act modified loan application registers for approximately

5,400 financial institutions. The modified LARs include the additional data points that certain institutions were required to report under the 2015 HMDA final rule. The data may be accessed at: <https://ffiec.cfpb.gov/data-publication/modified-lar/2018>

▲ FDIC issued a notice on technology service provider contracts for FDIC-supervised institutions. The notice describes examiner observations about gaps in financial institutions’ contracts with technology service providers that may require financial institutions to take additional steps to manage their own business continuity and incident response. The notice may be viewed at: <https://www.fdic.gov/news/news/financial/2019/fil19019.html>

▲ FRB, FDIC, OCC, and NCUA issued updated Frequently Asked Questions on the New Accounting Standard on Financial Instruments – Credit Losses to assist institutions and examiners. The new standard takes effect in 2020, 2021, or 2022, depending on an institution’s characteristics. The FAQs continue to focus on the application of the current expected credit losses methodology (CECL) for estimating credit loss allowances and related supervisory expectations and regulatory reporting

guidance. The FAQs may be viewed at: <https://www.fdic.gov/news/news/financial/2019/fil19020a.pdf>

▲ FFIEC issued the 2019 edition of the Guide to HMDA Reporting: Getting It Right. The 2019 edition reflects amendments made to HMDA by the Economic Growth, Regulatory Relief, and Consumer Protection Act and the 2018 HMDA interpretive and procedural rule issued by CFPB. The 2019 guide may be viewed at: <https://www.ffiec.gov/hmda/pdf/2019guide.pdf>

▲ Treasury and Internal Revenue Service released a six-year plan to modernize IRS business operations. The plan is organized around four “Modernization Pillars” critical to the IRS’s mission and future development: Taxpayer Experience, Core Taxpayer Services and Enforcement, Modernized IRS Operations, and Cybersecurity and Data Protection. The full plan may be viewed at: [https://www.irs.gov/pub/irs-utl/irs\\_2019\\_integrated\\_modernization\\_business\\_plan.pdf](https://www.irs.gov/pub/irs-utl/irs_2019_integrated_modernization_business_plan.pdf)

▲ CFPB Director Kathleen L. Kraninger announced a symposia series exploring consumer protections in today’s dynamic financial services marketplace. The series is aimed at stimulating a



# Compliance Notes

proactive and transparent dialogue to assist CFPB in its policy development process, including possible future rulemakings. During each symposium, CFPB will host a discussion panel of experts with a variety of viewpoints on the topic. The announcement may be viewed at: <https://www.consumerfinance.gov/about-us/newsroom/bureau-announces-symposia-series/>

▲ Dr. Mark Calabria was sworn in as FHFA Director for a five-year term. The announcement may be viewed at: <https://www.fhfa.gov/Media/PublicAffairs/Pages/Dr-Mark-Calabria-Sworn-In-as-Director-of-the-Federal-Housing-Finance-Agency.aspx>

▲ FATF published its report to G20 Finance Ministers and Central Bank Governors. The report details FATF's work to fight money laundering and terrorist financing. The report may be viewed at: <http://www.fatf-gafi.org/media/fatf/documents/G20-April-2019.pdf>

▲ CFPB released a detailed research brief on the financial well-being of veterans. According to this national survey, which measured the financial well-being of Americans across the country, veterans, as a group, experience somewhat higher levels of financial well-being than the average American. For veterans, attributes such as higher education, homeownership, and good physical health are positively associated with financial well-being. However, veterans, like many other Americans, show lower financial well-being levels when they use short-term credit products, are regularly contacted by debt collectors, or incur student loan debt. The full report may be viewed at: [https://files.consumerfinance.gov/f/documents/cfpb\\_osa\\_financial-well-being-americans\\_report.pdf](https://files.consumerfinance.gov/f/documents/cfpb_osa_financial-well-being-americans_report.pdf)

▲ OCC has issued an alert that an entity using the name of First National Bank and reporting to be located at 222 S. 9th Street, Minneapolis, Minn. 55402 is misrepresenting itself as a national bank. First National Bank purports to be a financial institution offering business

banking services. This entity is not a licensed or chartered bank. Businesses have reported receiving fictitious letters and faxes offering uncollateralized revolving lines of credit, secured loans, and long-term loans. The alert may be viewed at: <https://www.occ.gov/news-issuances/alerts/2019/alert-2019-4.html>

▲ FDIC released a series of podcasts featuring discussions about Crisis and Response: An FDIC History, 2008–2013, the agency's study of the banking and financial crisis. The podcast series gives listeners a unique behind-the-scenes perspective on the crisis, as FDIC officials share their insights into the agency's decision-making strategies and actions. The podcasts may be accessed at: <https://www.fdic.gov/bank/historical/crisis/index.html>

▲ FRB issued its report to Congress on the Office of Minority and Women Inclusion. The report outlines the activities and goals of the office in the areas of equal employment of minorities and women and diversity and inclusion at FRB, inclusion of minority-owned and women-owned businesses in FRB's acquisition process, financial literacy activities aimed at minorities and women, and assessment of the diversity policies and practices of regulated entities. The report may be viewed at: <https://www.federalreserve.gov/publications/files/omwi-report-20190329.pdf>

▲ FDIC announced it will conduct four identical live seminars on FDIC deposit insurance coverage for bank employees and bank officers between May 15, 2019, and December 9, 2019. In addition to a comprehensive overview of FDIC deposit insurance rules, the seminars include deposit insurance coverage information on signature card requirements for joint accounts, Prepaid Cards, Bank Trade names, Health Savings Accounts, 529 plan accounts, and 529 Achieving a Better Life Experience (ABLE) plan accounts. The announcement may be viewed at: <https://www.fdic.gov/news/news/financial/2019/fil19023.html> ■





Conferences | Summits

Schools | Boot Camps

Seminars | Workshops

WBA Webinars

Other Events

## MARCH

- **Call Report Review & Update Workshop**  
5 Wisconsin Dells – \$245/attendee;  
*Live Recording Available* – \$749/connection
- **Principles of Banking Course**  
5-6 Fond du Lac – \$550/attendee;  
7-8 Madison – \$550/attendee;
- **Loan Compliance School**  
11-15 Wisconsin Dells – \$1,295/attendee\*
- **Branch Manager Boot Camp**, Madison  
11-12 Four days (March 11, 12, April 10, and 11)  
\$950/attendee or \$350/day/attendee
- **Advanced IRA Workshop**  
13 Rothschild/Wausau – \$225/attendee  
14 Madison – \$225/attendee
- **Real Estate Compliance School**  
13-15 Wisconsin Dells – \$795/attendee\*
- **Credit Analysis Boot Camp**  
~~14-15 Madison – \$495/attendee\*~~ **Session Full**  
28-29 Green Bay – \$495/attendee\*
- **Security Officer Workshops**  
19 Green Bay – \$175/attendee  
20 Eau Claire – \$175/attendee  
21 Wisconsin Dells – \$175/attendee
- **Loan Documentation Webinar Series: Part 2**  
19 (3-part series; including recordings)  
\$749 + sales tax/connection
- **Cash Management Workshop**  
25 Wisconsin Dells – \$245/attendee
- **Enterprise Risk Management Workshop**  
26 Wisconsin Dells – \$245/attendee

## APRIL

- **WBA/ABA Washington Summit**  
1-3 Washington, D.C.
- **Loan Documentation Webinar Series: Part 3**  
9 (3 part series; including recordings)  
\$749 + sales tax/connection
- **Agricultural Bankers Conference**, Wisconsin Dells  
10-11 \$350/attendee; \$275/Ag Section member attendee
- **Branch Manager Boot Camp**, Madison  
10-11 Four days (March 11, 12, April 10, and 11)  
\$950/attendee or \$350/day/attendee

\*Lodging is available for an additional fee.

## APRIL (continued)

- 12 • **National Teach Children to Save Day**
- **Power of Community Week**  
22-26 [www.wisbank.com/BanksPowerWI](http://www.wisbank.com/BanksPowerWI)
- **Women in Banking Conference**  
23 Wisconsin Dells – \$245/for first two attendees;  
\$195/additional attendee(s)
- **Community Bankers for Compliance (CBC) – Session 2**  
23 Stevens Point (*pricing options vary*)  
24 Madison (*pricing options vary*)
- **Safe Deposit Liability Webinar**  
25 \$325 + sales tax/connection
- **ICBA Washington Policy Summit**  
4/28 Washington, D.C.  
-5/1
- **Business Banking Boot Camp**  
4/30 De Pere – \$695/attendee\*  
-5/1

## MAY

- **Business Banking Boot Camp**  
2-3 Madison – \$695/attendee\*
- **Principles of Banking Course**  
2-3 Lake Hallie – \$550/attendee
- **Trust Conference**  
3 Wisconsin Dells – \$245/attendee
- **School of Bank Management**  
5-10 Madison – \$1,395/attendee\*
- **Wisconsin Consumer and Marital Property Acts Webinar**  
7 \$325 + sales tax/connection
- **Human Resources Conference**  
9 Stevens Point – \$225/attendee
- **FIPCO Compliance & Software Forum (Deposit)**  
14 Wisconsin Dells
- **Compliance Management School**  
14-16 Wisconsin Dells – \$795/attendee\*
- **Lending Boot Camp**  
14-16 Wisconsin Dells – \$795/attendee\*  
(2-day registration also available, \$535/attendee)\*
- **IT Risk Management Seminar**  
16 Wisconsin Dells – \$245/attendee
- **Capitol Day**  
21 Madison – FREE

(over)

Conferences | Summits

Schools | Boot Camps

Seminars | Workshops

WBA Webinars

Other Events

## MAY (continued)

- **HSA Workshop**  
23 Wisconsin Dells – \$225/attendee
- **BSA/AML Compliance Conference**  
29-30 Wisconsin Dells – \$449/attendee
- **Bank Directors Summit**  
TBD – \$225/first attendee; \$175/additional attendee

## JUNE

- **Managing Levies, Garnishments and Other Legal Process in Wisconsin Webinar**  
4 \$325 + sales tax/connection
- **BOLT Summer Leadership Summit**  
11-12 Wisconsin Dells – \$150/attendee
- **Compliance Forum: Session 1**  
18 Stevens Point \$1,400/bank membership  
19 Wisconsin Dells (includes 2 registrations  
20 Pewaukee for each of 3 sessions)
- **Advertising Law Webinar Series: Part 1**  
19 (2-part series; including recordings)  
\$499 + sales tax/connection

## JULY

- **Community Bankers for Compliance (CBC) – Session 3**  
16 Stevens Point (*pricing options vary*)  
17 Madison (*pricing options vary*)
- **Advertising Law Webinar Series: Part 2**  
17 (2-part series; including recordings)  
\$499 + sales tax/connection
- **ABA CRCM Prep Course**, Chicago  
22-26 \$2,495/ABA Member; \$2,995/Nonmember\*
- 7/31 • **Agricultural Lending School**  
-8/2 Rothschild – \$895/attendee\*
- 7/30 \$200/attendee for additional pre-school workshop\*

## SEPTEMBER

- **Management Conference** – including  
**CFO Conference**, Wisconsin Dells\*  
10-11 \$250/attendee for first two attendees;  
\$195/additional attendee

## SEPTEMBER (continued)

- **Secur-I.T. Conference**, Wisconsin Dells  
17-18 \$350/first attendee; \$300/additional attendee
- **Introduction to Commerical Lending School**  
18-20 De Pere – \$795/attendee\*
- **Supervisor Boot Camp**  
24-25 Wisconsin Dells – \$535/attendee\*
- 9/30 • **Deposit Compliance School**  
-10/1 Wisconsin Dells – \$535/attendee\*

## OCTOBER

- **Personal Banker School**  
8-9 Wisconsin Dells – \$450/attendee\*
- **Community Bankers for Compliance (CBC) – Session 4**  
15 Stevens Point (*pricing options vary*)  
16 Madison (*pricing options vary*)
- **Compliance Forum: Session 2**  
22 Stevens Point (*pricing options vary*)  
23 Wisconsin Dells (*pricing options vary*)  
24 Pewaukee (*pricing options vary*)
- **BSA/AML Workshops**  
29 Eau Claire; \$245/attendee  
30 Neenah; \$245/attendee  
31 Madison; \$245/attendee
- **Procedures Upon a Depositors Death Webinar**  
30 \$325 + sales tax/connection
- **IRA Essentials Workshops**  
October TBD – \$225/attendee
- **Advanced IRA Workshops**  
October TBD – \$225/attendee

## NOVEMBER

- **Auditing Real Estate Loans Boot Camp**  
5-7 Wisconsin Dells – \$795/attendee\*
- **BOLT Winter Leadership Summit**  
7 Stevens Point – \$100/attendee\*
- **LEAD360 Conference: Marketing, Retail Banking, Sales and Financial Literacy**, Wisconsin Dells  
20-21 \$350/attendee; \$300 additional attendee\*

\*Lodging is available for an additional fee.

» Visit [www.wisbank.com/education](http://www.wisbank.com/education) for more information and online registration.

» For questions or more information, email WBA Education at [wbaeducation@wisbank.com](mailto:wbaeducation@wisbank.com) or 608-441-1252.