

# Compliance Journal

## Special Focus

### Wisconsin Consumer Act FAQs

The Wisconsin Consumer Act (WCA) continues to be a frequent topic for the WBA legal call program. We have compiled some of the most frequently asked WCA questions and present them in the article below. Note that this article is not, nor intended to be, a recital of all applicable State and Federal laws and regulations for specific transactions.

#### What transactions does the WCA cover?

The WCA applies to loans and credit sales to individuals for personal, family, or household purpose when the amount financed is \$25,000 or less and the loan is not secured by a first lien real estate mortgage or equivalent security interest.

Note the exception for an “equivalent security interest,” sometimes referred to as a “1st lien equivalent.” The concept of a “1st lien equivalent” is unique to Wisconsin. For example, Bank A takes a 1st lien mortgage on a purchase. The customer returns to Bank A for a line of credit, and Bank A secures the line with another lien on the same property. If there is no intervening creditor, that additional lien is effectively a 1st lien equivalent. On the other hand, if that customer comes back to Bank A for a line of credit, and at that time there is an intervening creditor who has taken a lien on the same property sometime after Bank A took the 1st lien on the purchase, Bank A’s new lien for the line of credit would be “true junior mortgage” rather than a 1st lien equivalent.

#### Does the WCA give the ability to prepay?

Yes. The WCA provides the consumer the right to prepayment in full or part at any time without penalty.

#### Are deferral fees permitted by the WCA?

Not for simple-interest transactions. Under the WCA deferral fees are permitted for precomputed transactions but they are not permitted for simple-interest transactions.

#### Does the WCA impose maximum rates of finance charges?

No. The creditor and customer may agree to a maximum finance charge per the terms of the contract. However, the rate may not be unconscionable.

#### Does the WCA restrict how interest is calculated?

No. However, if the 1/360th method is utilized, it must be disclosed conspicuously.

#### Does the WCA restrict rates after default?

Yes. The interest rate after the final scheduled maturity date may not exceed the greater of 12% per year or the annual rate of finance charge assessed on the transaction.

#### Does the WCA require a right to cure default?

Yes. The WCA prohibits a bank from taking any action with respect to default until notice requirements have been met. The notice must be given to the customer, and inform them how to cure the default.

#### Does the WCA have requirements for delinquency charges?

Yes. For closed-end transactions, late charges are restricted to the lesser of \$10 or 5% of the unpaid amount of the installment.

The Wisconsin Department of Financial Institutions has explained that an installment is considered current when a payment is made on its due date or within the 10 days following its due date, creating a grace period.

If an installment is received on or before its scheduled or deferred due date, no delinquency charge may be assessed for that payment even though an earlier installment or delinquency charge has not been paid in full.

A delinquency charge may be collected only once on any installment.

When assessing late charges, the WCA requires payments be applied first to current installments and then to delinquent installments.

Finally, if interest is charged after the final scheduled maturity date, no delinquency charge may be assessed on the final scheduled payment.



For open-end credit, there is no limit on the amount nor a grace period, but the charge must still be agreed to by contract.

## What are some of the requirements for variable rate loans under the WCA?

There are two types of variable rate transactions under the WCA: approved index loans and non-approved index loans.

For approved index loans:

- Adjustments in rate are based upon changes in an approved index (e.g. Wall Street Journal Prime).
- Index approved by the Secretary of WDFI.
- Index must be beyond control of creditor.
- Index must be verifiable by consumer.
- Limitations on decreases allowed only if similar limitations placed on increases.
- No carry-over provision.

For non-approved index loans:

- Index is set by the creditor and is not tied to an approved index.
- Additional limitations and disclosure requirements, including:
  - May not increase rate during first 3 months following consummation of transaction.
  - Rate increases may not exceed 2% per year.

## Are there subsequent notice requirements for variable rate closed-end loans under the WCA?

Yes. A creditor must mail or deliver a written notice of every rate change at least 15 days prior to the change in rate if implemented by a change in periodic payment, other than the final payment. The notice must be given no later than 30 days after any other change.

Notice is not required, however, for closed-end loans if the rate change is based on an approved index and there is no change in the periodic payment (other than the final payment).

## Are there subsequent notice requirements for variable rate open-end loans under the WCA?

No notice is required if the adjustment is made in a variable rate transaction pursuant to an open-end credit plan that is based upon changes in an approved index.

## Does the WCA require any notices to customers, co-signers, and guarantors?

Yes. The creditor must furnish the customer with an exact copy of each instrument, document, agreement and contract signed by the customer and which evidences the customer's obligation before any payment is due to the creditor. The creditor must also provide the customer with copies of every writing evidencing the customer's obligation to pay upon request of the customer. One such copy must be furnished at no charge to the customer.

Subsequent copies must also be furnished, but the creditor may charge a reasonable fee for production and delivery.

Each person signing the guaranty or as co-signer in addition to signing the guaranty or note must receive either: copies of each instrument, document, agreement, and contract signed by the customer and which evidences the customer's obligation, or an explanation of personal obligation. A sample notice appears in the WCA and is reproduced on the WBA 156 or 156A (for open-end credit) Explanation of Personal Obligation forms.

In connection with open-end credit, if any subsequent change would increase or extend contingent liability of the guarantor or co-signer, an explanation of change must be provided conspicuously disclosing that if such person wishes to terminate liability with respect to future transactions, that person must notify the creditor in writing.

## Conclusion

While this article is not comprehensive in its consideration of all WCA issues, WBA hopes it will serve as a helpful guide to some of the more common questions we receive. For a full understanding of the applicable rules WBA recommends consulting Chapters 421 through 427 of the Wisconsin Statutes for the full scope of the WCA. ■

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# Regulatory Spotlight

## Agencies Finalize Liquidity Coverage Ratio 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) are jointly adopting as a final rule, without change, the 08/31/2018, interim final rule, which amended the agencies' liquidity coverage ratio (LCR) rule to treat liquid and readily-marketable, investment grade municipal obligations as high-quality liquid assets. This treatment was mandated by section 403 of the Economic Growth, Regulatory Relief, and Consumer Protection Act. The final rule is effective **07/05/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-06-05/pdf/2019-11715.pdf>. *Federal Register*, Vol. 84, No. 108, 06/05/2019, 25975-25978.

## Agencies Propose Amendments to Resolution Plans Required.

The Board of Governors of the Federal Reserve System (FRB), and the Federal Deposit Insurance Corporation (FDIC) are inviting comment on a proposal to amend and restate the jointly issued regulation (the Rule) implementing the resolution planning requirements of section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act). The proposal is intended to reflect improvements identified since the Rule was finalized in November 2011 and to address amendments to the Dodd-Frank Act made by the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA). The proposed amendments to the Rule include a proposal by the Board to establish risk-based categories for determining the application of the resolution planning requirement to certain U.S. and foreign banking organizations, consistent with section 401 of EGRRCPA, and a proposal by the agencies to extend the default resolution plan filing cycle, allow for more focused resolution plan submissions, and improve certain aspects of the Rule. Comments are due **06/21/2019**. The notice may be viewed at: <https://www.govinfo.gov>.

[gov/content/pkg/FR-2019-05-14/pdf/2019-08478.pdf](https://www.govinfo.gov/content/pkg/FR-2019-05-14/pdf/2019-08478.pdf). *Federal Register*, Vol. 84, No. 93, 05/14/2019, 21600-21631.

## Agencies Propose Amendments to Applicability Thresholds for Regulatory Capital Requirements.

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) are inviting comment on a proposal that would determine the application of regulatory capital requirements to certain U.S. intermediate holding companies of foreign banking organizations and their depository institution subsidiaries and the application of standardized liquidity requirements with respect to certain U.S. operations of large foreign banking organizations and certain of their depository institution subsidiaries, each according to risk-based categories. For liquidity, the proposal would require a foreign banking organization that meets certain criteria to comply with liquidity coverage ratio and net stable funding ratio requirements with respect to any U.S. intermediate holding company and certain depository institution subsidiaries thereof; in addition, FRB is not proposing but is requesting comment on whether it should impose standardized liquidity requirements on such foreign banking organizations with respect to their U.S. branch and agency networks, as well as possible approaches for doing so. The proposal is consistent with a separate proposal issued by FRB that would apply certain prudential standards to foreign banking organizations based on the same categories, and is similar to a proposal issued by the agencies in 2018 that would determine the application of regulatory capital and standardized liquidity requirements for large U.S. banking organizations according to risk-based categories (the domestic interagency proposal). In addition, FRB is modifying one aspect of the proposed requirements under the domestic interagency proposal with respect to certain banking organizations; specifically, to propose the application of a standard-

ized liquidity requirement to certain U.S. depository institution holding companies that meet specified criteria relating to their liquidity risk profile. The agencies are also making technical amendments to certain provisions of the domestic interagency proposal. Comments are due **06/21/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-24/pdf/2019-09245.pdf>. *Federal Register*, Vol. 84, No. 101, 05/24/2019, 23991-24007.

## CFPB Proposes Amendments to Regulation C.

The Bureau of Consumer Financial Protection (CFPB) is proposing two alternatives to amend Regulation C to increase the threshold for reporting data about closed-end mortgage loans so that institutions originating fewer than either 50 closed-end mortgage loans, or alternatively 100 closed-end mortgage loans, in either of the two preceding calendar years would not have to report such data as of 01/01/2020. The proposed rule would also adjust the threshold for reporting data about open-end lines of credit by extending to 01/01/2022, the current temporary threshold of 500 open-end lines of credit and setting the threshold at 200 open-end lines of credit upon the expiration of the proposed extension of the temporary threshold. CFPB is also proposing to incorporate into Regulation C the interpretations and procedures from the interpretive and procedural rule that CFPB issued on **08/31/2018**, and to implement further section 104(a) of the Economic Growth, Regulatory Relief, and Consumer Protection Act. Comments are due **06/12/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-13/pdf/2019-08983.pdf>. *Federal Register*, Vol. 84, No. 92, 05/13/2019, 20972-21041.

## CFPB Proposes Amendments to Debt Collection Practices.

CFPB proposes to amend Regulation F, 12 CFR part 1006, which implements the Fair Debt Collection Practices Act (FDCPA) and currently contains the procedures



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for State application for exemption from the provisions of the FDCPA. CFPB's proposal would amend Regulation F to prescribe Federal rules governing the activities of debt collectors, as that term is defined in the FDCPA. CFPB's proposal would, among other things, address communications in connection with debt collection; interpret and apply prohibitions on harassment or abuse, false or misleading representations, and unfair practices in debt collection; and clarify requirements for certain consumer-facing debt collection disclosures. Comments are due 08/19/2019. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-21/pdf/2019-09665.pdf>. *Federal Register*, Vol. 84, No. 98, 05/21/2019, 23274-23418.

## CFPB Publishes Plan for Review of Rules.

CFPB is publishing a plan for the review of rules which have or will have a significant economic impact upon a substantial number of small entities, pursuant to section 610 of the Regulatory Flexibility Act. Comments are due 07/15/2019. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-15/pdf/2019-09813.pdf>. *Federal Register*, Vol. 84, No. 94, 05/15/2019, 21732-21733.

## CFPB Requests Comment on Overdraft Rule.

CFPB is conducting a review of the Overdraft Rule consistent with section 610 of the Regulatory Flexibility Act. As part of this review, the Bureau is seeking comment on the economic impact of the Overdraft Rule on small entities. These comments may assist the Bureau in determining whether the Overdraft Rule should be continued without change, or amended or rescinded to minimize any significant economic impact of the rules upon a substantial number of such small entities, consistent with the stated objectives of applicable statutes. Comments are due 07/01/2019. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-15/pdf/2019-09812.pdf>. *Federal*

*Register*, Vol. 84, No. 94, 05/15/2019, 21729-21732.

## CFPB Requests Comment on Information Collections.

- CFPB announced it seeks comment on the information collection titled Policy to Encourage Trial Disclosure Programs. CFPB also gave notice that it sent the collection to OMB for review. Comments are due 07/12/2019. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-13/pdf/2019-09720.pdf>. *Federal Register*, Vol. 84, No. 92, 05/13/2019, 20864.
- CFPB announced it seeks comment on the information collection titled Equal Access to Justice Act. CFPB also gave notice that it sent the collection to OMB for review. Comments are due 07/12/2019. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-13/pdf/2019-09723.pdf>. *Federal Register*, Vol. 84, No. 92, 05/13/2019, 20864-20865.
- CFPB announced it seeks comment on the information collection titled Truth In Lending Act (Regulation Z) 12 CFR 1026. CFPB also gave notice that it sent the collection to OMB for review. Comments are due 07/29/2019. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-28/pdf/2019-10972.pdf>. *Federal Register*, Vol. 84, No. 102, 05/28/2019, 24498-24499.
- CFPB announced it seeks comment on the information collection titled Report of Terms of Credit Card Plan. CFPB also gave notice that it sent the collection to OMB for review. Comments are due 06/28/2019. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-29/pdf/2019-11185.pdf>. *Federal Register*, Vol. 84, No. 103, 05/29/2019, 24764.

- CFPB announced it seeks comment on the information collection titled Equal Credit Opportunity Act (Regulation B) 12 CFR 1002. CFPB also gave notice that it sent the collection to OMB for review. Comments are due 06/28/2019. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-29/pdf/2019-11186.pdf>. *Federal Register*, Vol. 84, No. 103, 05/29/2019, 24763-24764.
- CFPB announced it seeks comment on the information collection titled Regulation I: Disclosure Requirements for Depository Institutions Lacking Federal Deposit Insurance. CFPB also gave notice that it sent the collection to OMB for review. Comments are due 08/06/2019. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-06-07/pdf/2019-12005.pdf>. *Federal Register*, Vol. 84, No. 110, 06/07/2019, 26652-26653.

## FRB Proposes Amendments to Control and Divestiture Proceedings.

The Board of Governors of the Federal Reserve System (FRB) is inviting public comment on a proposal that would revise FRB's regulations related to determinations of whether a company has the ability to exercise a controlling influence over another company for purposes of the Bank Holding Company Act or the Home Owners' Loan Act. The proposal would significantly expand the number of presumptions for use in such determinations. By codifying the presumptions in FRB's Regulation Y and Regulation LL, FRB's rules would provide substantial additional transparency on the types of relationships that FRB would view as supporting a determination that one company controls another company. The proposed presumptions generally would be consistent with FRB's historical practice with respect to the types of relationships that raise, or do not raise, significant controlling influence concerns. Several of the proposed



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presumptions, however, would represent targeted adjustments relative to FRB's historical practice. Finally, the proposal would include various definitions and ancillary rules to ensure that the application of the proposed presumptions is clear, transparent, and consistent. Comments are due **07/15/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-14/pdf/2019-09415.pdf>. *Federal Register*, Vol. 84, No. 93, 05/14/2019, 21634-21666.

## FRB Proposes Revisions to Prudential Standards.

FRB issued a proposed rule that would revise the framework for applying the enhanced prudential standards applicable to foreign banking organizations under section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended by the Economic Growth, Regulatory Relief, and Consumer Protection Act. The proposal would establish categories that would be used to tailor the stringency of enhanced prudential standards based on the risk profile of a foreign banking organization's operations in the United States. The proposal also would amend certain enhanced prudential standards, including standards relating to liquidity, risk management, stress testing, and single-counterparty credit limits, and would make corresponding changes to reporting forms. The proposal would make clarifying revisions and technical changes to FRB's 10/31/2018, proposal for large U.S. bank holding companies and certain savings and loan holding companies relating to FRB's internal liquidity stress testing requirements and GSIB surcharge rule. Separately, FRB, the Office of the Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC) (together, the agencies) are requesting comment on a proposal to revise the applicability of the agencies' capital and liquidity requirements for foreign banking organizations based on the same categories, and FRB is requesting comment on whether it should impose standardized liquidity requirements on the U.S. branch and agency network of

a foreign banking organization, as well as possible approaches for doing so. In addition, FRB and FDIC are separately requesting comment on a proposal to revise the applicability of the resolution planning requirements applicable to large U.S. banking organizations and foreign banking organizations, using a category approach that is broadly consistent with the one set forth in the proposal. Comments are due **06/21/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-15/pdf/2019-07895.pdf>. *Federal Register*, Vol. 84, No. 94, 05/15/2019, 21988-22036.

## FRB Issues Potential Modifications of Payment Services.

FRB is requesting comment on potential modifications to the Federal Reserve Banks' (Reserve Banks) payment services to facilitate adoption of a later same-day automated clearinghouse (ACH) processing and settlement window. Specifically, the Reserve Banks would extend the daily operating hours of the National Settlement Service (NSS) to allow the private-sector ACH operator to settle its in-network transactions resulting from the later same-day ACH window. To support these new NSS operating hours, the Reserve Banks would extend the daily operating hours of the Fedwire Funds Service, creating implications for extension policies for contingencies that might result in more frequent delays to the reopening of the Fedwire Funds Service. Finally, FRB is requesting comment on corresponding changes to the Federal Reserve Policy on Payment System Risk related to a new posting time and an increase to the daylight overdraft fee rate. Comments are due **07/15/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-16/pdf/2019-09949.pdf>. *Federal Register*, Vol. 84, No. 95, 05/16/2019, 22123-22129.

## FRB Repeals SAFE Act Regulations.

FRB is repealing its regulations that incorporated the Secure and Fair Enforcement for Mortgage Licensing Act (the S.A.F.E.

Act). Title X of the Dodd-Frank Act transferred rulemaking authority for a number of consumer financial protection laws, including the S.A.F.E. Act, from FRB to the Bureau of Consumer Financial Protection (CFPB). In December 2011, the Bureau published an interim final rule, incorporating the S.A.F.E. Act into its Regulations G and H. In April 2016, CFPB finalized the interim final rule. Accordingly, FRB is repealing its S.A.F.E. Act regulations. The repeal is effective **06/14/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-15/pdf/2019-09948.pdf>. *Federal Register*, Vol. 84, No. 94, 05/15/2019, 21691-21692.

## FRB Requests Comment on Information Collections.

- FRB announced it seeks comment on the information collection titled Recordkeeping Provisions Associated with the Interagency Statement on Complex Structured Finance Activities. FRB also gave notice that it sent the collection to OMB for review. Comments are due **07/15/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-15/pdf/2019-09962.pdf>. *Federal Register*, Vol. 84, No. 94, 05/15/2019, 21778-21779.
- FRB announced it seeks comment on the information collection titled Reporting, Recordkeeping, and Disclosure Requirements Associated with Regulation NN. FRB also gave notice that it sent the collection to OMB for review. Comments are due **07/16/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-17/pdf/2019-10246.pdf>. *Federal Register*, Vol. 84, No. 96, 05/17/2019, 22494-22495.

## FDIC Requests Comment on Information Collections.

- The Federal Deposit Insurance Corporation (FDIC) announced it seeks comment on the information collec-



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tion titled Interagency Complaint Form. FDIC also gave notice that it sent the collection to OMB for review. Comments are due **06/24/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-23/pdf/2019-10790.pdf>. *Federal Register*, Vol. 84, No. 100, 05/23/2019, 23789-23790.

- FDIC announced it seeks comment on the information collection titled Market Risk Capital Requirements. FDIC also gave notice that it sent the collection to OMB for review. Comments are due **06/24/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-23/pdf/2019-10795.pdf>. *Federal Register*, Vol. 84, No. 100, 05/23/2019, 23790-23792.

## FDIC Requests Comment on Technical Assistance Offerings and Delivery.

FDIC issued a request for information to seek public input on additional steps FDIC could take to support effective management and operation of FDIC-supervised institutions through technical assistance and collaboration on safety and soundness and consumer compliance matters. FDIC is seeking feedback from community banks, other FDIC-supervised institutions, and other interested parties on existing FDIC methods and efforts to provide technical assistance. FDIC requests input on strategies to improve the effectiveness of these offerings. FDIC also seeks comment on both the content and delivery method of various technical assistance offerings and on other steps FDIC could take to increase the level and effectiveness of technical assistance offered to the industry. Comments are due **08/06/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-06-07/pdf/2019-11911.pdf>. *Federal Register*, Vol. 84, No. 110, 06/07/2019, 26681-26683.

## FDIC Appointed Receiver.

FDIC has been appointed the sole receiver for the financial institutions listed in the notice, effective as of the Date Closed as indicated in the listing. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-06-07/pdf/2019-12017.pdf>. *Federal Register*, Vol. 84, No. 110, 06/07/2019, 26681.

## FDIC Issues Terminations of Receiverships.

FDIC as Receiver for former depository institutions, intends to terminate its receivership for the institutions listed in the notices. The liquidation of the assets for each receivership has been completed. To the extent permitted by available funds and in accordance with law, the Receiver will be making a final dividend payment to proven creditors. Based upon the foregoing, the Receiver has determined that the continued existence of the receiverships will serve no useful purpose. Consequently, notice is given that the receiverships shall be terminated, to be effective no sooner than thirty days after the date of this notice. If any person wishes to comment concerning the termination of any of the receiverships, such comment must be made in writing, identify the receivership to which the comment pertains, and be sent within thirty days of the date of this notice to: Federal Deposit Insurance Corporation, Division of Resolutions and Receiverships, Attention: Receivership Oversight Department 34.6, 1601 Bryan Street, Dallas, TX 75201. No comments concerning the termination of the above-mentioned receiverships will be considered which are not sent within this time frame. The notices may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-24/pdf/2019-10868.pdf>. *Federal Register*, Vol. 84, No. 101, 05/24/2019, 24142.

## OCC Finalizes Rule on Home Owners' Loan Act.

The Office of the Comptroller of the Currency (OCC) is issuing a final rule to im-

plement a new section of the Home Owners' Loan Act (HOLA). The Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) amended HOLA to add a new section that allows a Federal savings association with total consolidated assets equal to or less than \$20 billion, as reported by the association to the Comptroller as of 12/31/2017, to elect to operate as a covered savings association. A covered savings association has the same rights and privileges as a national bank and is subject to the same duties, restrictions, penalties, liabilities, conditions, and limitations as a national bank. A covered savings association retains its Federal savings association charter and existing governance framework. The new section of HOLA requires OCC to issue rules that, among other things, establish streamlined standards and procedures for elections to operate as covered savings associations and clarify requirements for the treatment of covered savings associations. The rule is effective **07/01/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-24/pdf/2019-10902.pdf>. *Federal Register*, Vol. 84, No. 101, 05/24/2019, 23991-24007.

## OCC Requests Comment on Information Collections.

- OCC announced it seeks comment on the information collection titled Regulation C—Home Mortgage Disclosure. OCC also gave notice that it sent the collection to OMB for review. Comments are due **06/19/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-20/pdf/2019-10441.pdf>. *Federal Register*, Vol. 84, No. 97, 05/20/2019, 22935-22936.
- OCC announced it seeks comment on the information collections titled Regulation E—Electronic Fund Transfer Act and Regulation Z—Truth in Lending Act. OCC also gave notice that it sent the collections to OMB for review. Comments are due **07/19/2019**. The notice may be viewed at: <https://www.govinfo.gov>.



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[gov/content/pkg/FR-2019-05-20/pdf/2019-10434.pdf](https://www.govinfo.gov/content/pkg/FR-2019-05-20/pdf/2019-10434.pdf). *Federal Register*, Vol. 84, No. 97, 05/20/2019, 22931-22933.

- OCC announced it seeks comment on the information collections titled Survey of Minority Owned Institutions. OCC also gave notice that it sent the collections to OMB for review. Comments are due **06/19/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-20/pdf/2019-10442.pdf>. *Federal Register*, Vol. 84, No. 97, 05/20/2019, 22936-22937.
- OCC announced it seeks comment on the information collections titled Consumer Protections for Depository Institution Sales of Insurance. OCC also gave notice that it sent the collections to OMB for review. Comments are due **06/24/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-24/pdf/2019-10831.pdf>. *Federal Register*, Vol. 84, No. 101, 05/24/2019, 24199-24201.
- OCC announced it seeks comment on the information collections titled Interagency Statement on Complex Structured Finance Transactions. OCC also gave notice that it sent the collections to OMB for review. Comments are due **06/24/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-24/pdf/2019-10832.pdf>. *Federal Register*, Vol. 84, No. 101, 05/24/2019, 24198-24199.
- OCC announced it seeks comment on the information collections titled Domestic First Lien Residential Mortgage Data. OCC also gave notice that it sent the collections to OMB for review. Comments are due **06/27/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-28/pdf/2019-11051.pdf>. *Federal Register*, Vol. 84, No. 102, 05/28/2019, 24596-24597.

## OCC Issues Correction to Information Collection.

OCC announced it seeks comment on the information collections titled Securities Exchange Act Disclosure Rules and Securities of Federal Savings Associations. The notice was first issued in the *Federal Register* on **03/29/2019**. It is being reissued to correct an error in the burden estimates. OCC also gave notice that it sent the collections to OMB for review. Comments are due **06/19/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-20/pdf/2019-10443.pdf>. *Federal Register*, Vol. 84, No. 97, 05/20/2019, 22933-22934.

## HUD Issues Debenture Interest Rates.

The Department of Housing and Urban Development (HUD) announced changes in the interest rates to be paid on debentures issued with respect to a loan or mortgage insured by the Federal Housing Administration (FHA) under the provisions of the National Housing Act (the Act). The interest rate for debentures issued under Section 221(g)(4) of the Act during the 6-month period beginning **01/01/2019**, is 3.125 percent. The interest rate for debentures issued under any other provision of the Act is the rate in effect on the date that the commitment to insure the loan or mortgage was issued, or the date that the loan or mortgage was endorsed (or initially endorsed if there are two or more endorsements) for insurance, whichever rate is higher. The interest rate for debentures issued under these other provisions with respect to a loan or mortgage committed or endorsed during the 6-month period beginning **01/01/2019**, is 3.375 percent. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-13/pdf/2019-09828.pdf>. *Federal Register*, Vol. 84, No. 92, 05/13/2019, 20905-20906.

## HUD Requests Comment on Information Collections.

- HUD announced it seeks comment on the information collection titled Requisition for Disbursement of Sections 202 & 811 Capital Advance/Loan Funds. HUD also gave notice that it sent the collection to OMB for review. Comments are due **07/22/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-22/pdf/2019-10720.pdf>. *Federal Register*, Vol. 84, No. 99, 05/22/2019, 23579-23580.
- HUD announced it seeks comment on the information collection titled Single Family Insurance Premium Collection Subsystem—Upfront (Lender Assistance). HUD also gave notice that it sent the collection to OMB for review. Comments are due **07/22/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-22/pdf/2019-10721.pdf>. *Federal Register*, Vol. 84, No. 99, 05/22/2019, 23580.
- HUD announced it seeks comment on the information collection titled Comprehensive Transactional Forms Supporting FHA's Section 242 Mortgage Insurance Program for Hospitals. HUD also gave notice that it sent the collection to OMB for review. Comments are due **07/23/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-24/pdf/2019-10932.pdf>. *Federal Register*, Vol. 84, No. 101, 05/24/2019, 24167-24169.

## FEMA Issues Final Flood Hazard Determinations.

The Federal Emergency Management Agency (FEMA) has issued a final notice which identifies communities in the states of **Michigan**, and **Minnesota**, where flood hazard determinations, which may include additions or modifications of Base Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) bound-



# Regulatory Spotlight

aries or zone designations, or regulatory floodways on the Flood Insurance Rate Maps (FIRMs) and where applicable, in the supporting Flood Insurance Study (FIS) reports have been made final. The FIRM and FIS report are the basis of the floodplain management measures that a community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in FEMA's National Flood Insurance Program (NFIP). The final notice is effective 08/15/2019. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-06-05/pdf/2019-11669.pdf>. *Federal Register*, Vol. 84, No. 108, 06/05/2019, 26135-26137.

## FEMA Issues Final Rules on Suspensions of NFIP Community Eligibility.

FEMA issued a final rule which identifies communities in the states of **Illinois**, and **Michigan**, where the sale of flood insurance has been authorized under the National Flood Insurance Program (NFIP) that are scheduled for suspension on the effective dates listed within the final rule because of noncompliance with the floodplain management requirements of the program. If FEMA receives documentation that the community has adopted the required floodplain management measures prior to the effective suspension date given in the final rule, the suspension will not occur and a notice of this will be provided by publication in the *Federal Register* on a subsequent date. The effective date of each community's scheduled suspension is the third date listed in the third column of the tables in the final rule. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-16/pdf/2019-10190.pdf>. *Federal Register*, Vol. 84, No. 95, 05/16/2019, 22049-22051.

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

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 **Indiana**, **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-2019-05-20/pdf/2019-10391.pdf>. *Federal Register*, Vol. 84, No. 97, 05/20/2019, 22877-22879.

## FEMA Issues Proposed Flood Hazard Determinations.

FEMA has requested comments on proposed flood hazard determinations, which may include additions or modifications of any Base Flood Elevation (BFE), base flood depth, Special Flood Hazard Area (SFHA) boundary or zone designation, or regulatory floodway on the Flood Insurance Rate Maps (FIRMs), and where applicable, in the supporting Flood Insurance Study (FIS) reports for communities in the state of Wisconsin. The FIRM and FIS report are the basis of the floodplain management measures that the community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). Comments are due **08/19/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-20/pdf/2019-10395.pdf>. *Federal Register*, Vol. 84, No. 97, 05/20/2019, 22876-22877.

## FinCEN Announces Innovation Hours Program.

The Financial Crimes Enforcement Network (FinCEN) is notifying the public of

its Innovation Hours Program. Through the Program, FinCEN will provide dedicated time on a monthly basis to meet with financial institutions, regulatory and financial technology firms, and other stakeholders to enable them to share information with FinCEN about innovative approaches to evaluating, maintaining and reporting information under the Bank Secrecy Act in order to further strengthen the financial system against illicit financial activity. The program is effective **05/30/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-30/pdf/2019-11314.pdf>. *Federal Register*, Vol. 84, No. 104, 05/30/2019, 25120-25122.

## Treasury Finalizes Rule on Certain Transfers of Property to Regulated Investment Companies and Real Estate Investment Trusts.

The Department of the Treasury (Treasury) issued final regulations effecting the repeal of the General Utilities doctrine by the Tax Reform Act of 1986 and preventing abuse of the Protecting Americans from Tax Hikes Act of 2015 (PATH Act). The final regulations impose corporate-level tax on certain transactions in which property of a C-corporation becomes the property of a REIT. The final regulations affect RICs, REITs, C-corporations the property of which becomes the property of a RIC or a REIT, and their shareholders. The rule is effective **06/07/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-06-07/pdf/2019-11753.pdf>. *Federal Register*, Vol. 84, No. 110, 06/07/2019, 26559-26565.

## Treasury Proposes Amendments to Withholding of Tax and Information Reporting.

Treasury proposed regulations implementing certain sections of the Internal Revenue Code, including sections added to the Internal Revenue Code by the Tax Cuts and Jobs Act, that relate to the withhold-



# Regulatory Spotlight

ing of tax and information reporting with respect to certain dispositions of interests in partnerships engaged in the conduct of a trade or business within the United States. The proposed regulations affect certain foreign persons that recognize gain or loss from the sale or exchange of an interest in a partnership that is engaged in the conduct of a trade or business within the United States, and persons that acquire those interests. The proposed regulations also affect partnerships that, directly or indirectly, have foreign persons as partners. Comments are due **07/12/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-13/pdf/2019-09515.pdf>. *Federal Register*, Vol. 84, No. 92, 05/13/2019, 21198-21225.

## Treasury Proposes Withholding on Certain Distributions Under Section 3405(a) and (b).

Treasury issued a proposed regulation regarding withholding on certain periodic and nonperiodic distributions under section 3405, other than eligible rollover distributions. The regulation would affect payors and payees of these distributions. Comments are due **08/29/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-31/pdf/2019-11292.pdf>. *Federal Register*, Vol. 84, No. 105, 05/31/2019, 25209-25212.

## Treasury Requests Comment on Information Collections.

- Treasury announced it seeks comment on the information collection titled Reverse Like-Kind Exchanges. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **08/09/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-06-10/pdf/2019-12160.pdf>. *Federal Register*, Vol. 84, No. 111, 06/10/2019, 26935.
- Treasury announced it seeks comment on the information collection titled OFAC Application for the Release of Blocked Funds. Treasury also

gave notice that it sent the collection to OMB for review. Comments are due **07/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-06-10/pdf/2019-12139.pdf>. *Federal Register*, Vol. 84, No. 111, 06/10/2019, 26935-26936.

## FHFA Requests Comment on Information Collection.

The Federal Housing Finance Agency (FHFA) announced it seeks comment on the information collection titled American Survey of Mortgage Borrowers. FHFA also gave notice that it sent the collection to OMB for review. Comments are due **07/29/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-29/pdf/2019-11182.pdf>. *Federal Register*, Vol. 84, No. 103, 05/29/2019, 24783-24796.

## SBA Proposes Amendments to Women-Owned Small Business and Economically Disadvantaged Women-Owned Small Business Certification.

The Small Business Administration (SBA) is proposing to amend its regulations to implement a statutory requirement to certify Women-Owned Small Business Concerns (WOSB) and Economically Disadvantaged Women-Owned Small Business Concerns (EDWOSB) participating in the Women-Owned Small Business Contract Program. Comments are due **07/15/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-14/pdf/2019-09684.pdf>. *Federal Register*, Vol. 84, No. 93, 05/14/2019, 21256-21267.

## SBA Requests Comment on Information Collections.

SBA announced it seeks comment on the information collection titled Small Business Investment Companies. SBA also gave notice that it sent the collection to OMB for review. Comments are due

**06/17/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-16/pdf/2019-10142.pdf>. *Federal Register*, Vol. 84, No. 95, 05/16/2019, 22221-22222.

## FCA Issued Statement on Regulatory Burden.

The Farm Credit Administration (FCA) issued a statement discussing comments raised about FCA regulations and FCA activities in response to a **05/18/2017** *Federal Register* invitation for public comment on the regulatory burden imposed on the Farm Credit System. Many of the comments concern changes that FCA cannot implement because they are inconsistent with the Farm Credit Act of 1971, as amended (Act), safety and soundness, and/or other FCA guidance or position. Some comments raise issues that are the subject of existing regulatory projects scheduled for consideration by FCA as set forth in the 2019 Regulatory Projects Plan, which is available on the FCA website, and those issues will be addressed in the planned regulatory projects. In other cases, commenters identify issues that need further evaluation before FCA can consider whether changes are appropriate. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-15/pdf/2019-09960.pdf>. *Federal Register*, Vol. 84, No. 94, 05/15/2019, 21693-21698.

## FTC Rescinds Model Forms and Disclosures.

The Federal Trade Commission (FTC) is rescinding several Model Forms and Disclosures promulgated pursuant to the Fair Credit Reporting Act (FCRA) that it has determined are no longer necessary. The Dodd-Frank Act transferred rulemaking authority associated with these forms and disclosures to the Bureau of Consumer Financial Protection (CFPB). Given CFPB's 2018 updates to its model forms and disclosures, FTC has determined that rescinding several of its model forms and disclosures would reduce confusion. FTC is also making conforming amendments to



# Regulatory Spotlight

address references to the updated model forms and disclosures in related rules. The rescission is effective **05/22/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-22/pdf/2019-10110.pdf>. *Federal Register*, Vol. 84, No. 99, 05/22/2019, 23471-23486.

## FTC Extends Comment Deadline for Proposed Standards for Safeguarding Customer Information.

FTC is extending the deadline for filing public comments on its recent Notice of Proposed Rulemaking on the Standards for Safeguarding Customer Information. The new comment due date is **08/02/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-24/pdf/2019-10910.pdf>. *Federal Register*, Vol. 84, No. 101, 05/24/2019, 24049-24050.

## NCUA Proposes Amendments to Public Unit and Nonmember Shares.

The National Credit Union Administration (NCUA) is proposing to amend NCUA's public unit and nonmember share rule to allow Federal credit unions (FCU) to receive public unit and nonmember shares up to 50 percent of the credit union's paid-in and unimpaired capital and surplus less any public unit and nonmember shares. Comments are due **07/29/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-30/pdf/2019-11296.pdf>. *Federal Register*, Vol. 84, No. 104, 05/30/2019, 25018-25022.

## NCUA Requests Comment on Information Collection.

- NCUA announced it seeks comment on the information collection titled Small Business Investment Companies. NCUA also gave notice that it sent the collection to OMB for review. Comments are due **06/20/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-21/pdf/2019-10540.pdf>. *Federal*

*Register*, Vol. 84, No. 98, 05/21/2019, 23070-23071.

## VA Requests Comment on Information Collection.

- The Department of Veterans Affairs (VA) announced it seeks comment on the information collection titled Claim for Repurchase of Loan, VA Form 26–8084. VA also gave notice that it sent the collection to OMB for review. Comments are due **06/20/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-21/pdf/2019-10534.pdf>. *Federal Register*, Vol. 84, No. 98, 05/21/2019, 23166-23167.
- VA announced it seeks comment on the information collection titled Loan Analysis, VA form 26– 6393. VA also gave notice that it sent the collection to OMB for review. Comments are due **06/24/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-24/pdf/2019-10942.pdf>. *Federal Register*, Vol. 84, No. 101, 05/24/2019, 24202.

## DOL Extends Comment Period for Joint Employer Status Under the Fair Labor Standards Act.

The Department of Labor (DOL) extends the period for submitting written comments on the Notice of Proposed Rulemaking (NPRM) entitled “Joint Employer Status Under the Fair Labor Standards Act.” The comment period now ends on **06/25/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-14/pdf/2019-09841.pdf>. *Federal Register*, Vol. 84, No. 93, 05/14/2019, 21301-21302.

## DOL Extends Comment Period for Regular Rate Under the Fair Labor Standards Act.

DOL extends the period for submitting written comments on the Notice of Pro-

posed Rulemaking (NPRM) entitled “Regular Rate Under the Fair Labor Standards Act.” The comment period now ends on **06/12/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-05-14/pdf/2019-09842.pdf>. *Federal Register*, Vol. 84, No. 93, 05/14/2019, 21300-21301.

## SSA Announces Initial Enrollment Period for Electronic Consent Based Social Security Number Verification Service.

The Social Security Administration (SSA) is announcing the initial enrollment period for a new electronic Consent Based Social Security Number (SSN) Verification (eCBSV) service. SSA will roll out the service to a limited number of users in June 2020, and plans on expanding the number of users within six months of the initial rollout. All interested permitted entities must apply during this initial enrollment period to be eligible to use the new eCBSV service during either the initial rollout or subsequent planned expansion. Permitted entities that do not apply during the initial enrollment period must wait until the next designated period after the planned expansion to apply for enrollment. The initial enrollment period for permitted entities will begin on **07/17/2019**, and remain open until the period closes on **07/31/2019**. In accord with statutory requirements, permitted entities will be required to provide payment to build the new eCBSV system. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-06-07/pdf/2019-11995.pdf>. *Federal Register*, Vol. 84, No. 110, 06/07/2019, 26712-26713. ■



# Compliance Notes

▲ FDIC issued the June 2019 Consumer Compliance Supervisory Highlights. The publication is intended to provide supervised institutions and the public with information and observations related to the FDIC's consumer compliance supervision activities in 2018. The report may be viewed at: <https://www.fdic.gov/regulations/examinations/consumer-complsupervisoryhighlights.pdf>

▲ OFAC imposed sanctions on an Iraq-based Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) financial conduit, South Wealth Resources Company (SWRC), which has trafficked hundreds of millions of dollars' worth of weapons to IRGC-QF-backed Iraqi militias. SWRC and its two Iraqi associates, who are also being designated, have covertly facilitated the IRGC-QF's access to the Iraqi financial system to evade sanctions. SWRC and its two associates are being designated as Specially Designated Global Terrorists pursuant to Executive Order 13224, which targets terrorists and those providing support to terrorists or acts of terrorism. The notice may be viewed at: <https://home.treasury.gov/news/press-releases/sm706>

▲ FRB released 2019 Minority Owned Depository Institutions Data. The data may be viewed at: <https://www.federalreserve.gov/releases/mob/current/default.htm>

▲ FRB has released its list of insured U.S.-chartered commercial banks with consolidated assets of \$300 million or more as of March 31, 2019. There are 1,835 banks on the list, with total consolidated assets of \$16.33 trillion. The list may be viewed at: <https://www.federalreserve.gov/releases/lbr/current/default.htm>

▲ CFPB announced its first symposium will be held on June 25 at 9 a.m. The symposium, part of a series announced earlier this year, will focus on the Dodd-Frank Act's prohibition on abusive acts or practices. The symposium will be webcast on CFPB's website. The announcement may be viewed at: <https://www.consumerfinance.gov/about-us/newsroom/cfpb-hold-first-symposium-june-25/>

▲ FRB posted the April 2019 G.19 Consumer Credit Data. In April, consumer credit increased at a seasonally adjusted annual rate of 5-1/4 percent. Revolving credit increased at an annual rate of 8 percent, while nonrevolving credit increased at an annual rate of 4-1/4 percent. The notice may be viewed at: <https://www.federalreserve.gov/releases/g19/current/default.htm>

▲ FCC voted to make clear that voice service providers may aggressively block unwanted robocalls before they reach consumers. Specifically, FCC approved a Declaratory Ruling to affirm that voice service providers may, as the default, block unwanted calls based on reasonable call analytics, as long as their customers are informed and have the opportunity to opt out of the blocking. The announcement may be viewed at: <https://docs.google.com/viewer?url=https%3A%2F%2Fdocs.fcc.gov%2Fpublic%2Fattachments%2F-DOC-357852A1.pdf>

▲ FTC provided its annual enforcement report to CFPB regarding FTC's enforcement activities related to compliance with Regulation Z (the Truth in Lending Act or TILA); Regulation M (the Consumer Leasing Act or CLA); and Regulation E (the Electronic Fund Transfer Act or EFTA). The report may be viewed at: [https://www.ftc.gov/system/files/documents/reports/ftc-enforcement-activities-related-compliance-regulation-z-truth-lending-act-regulation-m-consumer/cfpb\\_2018\\_report\\_re\\_tila\\_and\\_cla\\_and\\_efta.pdf](https://www.ftc.gov/system/files/documents/reports/ftc-enforcement-activities-related-compliance-regulation-z-truth-lending-act-regulation-m-consumer/cfpb_2018_report_re_tila_and_cla_and_efta.pdf)

▲ NCUA has released data on the financial performance of federally insured credit unions for the quarter ending March 31, 2019. NCUA's Quarterly Data Summary Reports include an overview of the quarterly Call Report data as well as tables showing the recent history of major credit union performance indicators. The data may be viewed at: <https://www.ncua.gov/files/publications/analysis/quarterly-data-summary-2019-Q1.pdf>

▲ FHFA has launched the new Uniform Mortgage-Backed Security (UMBS),

which combines the separate Fannie Mae and Freddie Mac To-Be-Announced markets into one. The FHFA's statement may be viewed at: <https://www.fhfa.gov/Media/PublicAffairs/Pages/Statement-of-FHFA-Deputy-Director-Robert-Fishman-on-the-launch-of-the-new-Uniform-Mortgage-Backed-Security.aspx>

▲ CFPB has published an article for consumers on how to avoid mortgage closing scams. The FBI has reported that scammers are increasingly taking advantage of homebuyers during the closing process. Through a sophisticated phishing scam, they attempt to divert your closing costs and down payment into a fraudulent account by confirming or suggesting last-minute changes to your wiring instructions. In fact, reports of these attempts have risen 1,100 percent between 2015 and 2017, and in 2017 alone, there was an estimated loss of nearly \$1 billion in real estate transaction costs. The article and tools for avoiding the scam may be viewed at: <https://www.consumerfinance.gov/about-us/blog/mortgage-closing-scams-how-protect-yourself-and-your-closing-funds/>

▲ CFPB released the latest quarterly consumer credit trends report, which explores the relationship between fluctuations in consumers' credit scores and the timing of consumers' applications for credit. The ability of consumers to access various types of credit can be affected by their credit scores, as many lenders require a minimum credit score before credit will be extended. Given the critical role that credit scores play in determining access to credit, there has been a push in recent years to make credit scores more available to consumers and to educate them on how their scores are used and calculated. The report may be viewed at: [https://files.consumerfinance.gov/f/documents/cfpb\\_consumer-credit-trends\\_timing-applications-consumer-credit\\_2019-05.pdf](https://files.consumerfinance.gov/f/documents/cfpb_consumer-credit-trends_timing-applications-consumer-credit_2019-05.pdf)

▲ OFAC released its annual Terrorist Assets Report to Congress concerning the nature and extent of assets held in the United States by terrorism-supporting countries and organizations engaged in



# Compliance Notes

international terrorism. The report may be viewed at: <https://www.treasury.gov/resource-center/sanctions/Programs/Documents/tar2018.pdf>

▲ The Military Lending Act's website recently made significant changes to enhance security of the site and better protect the personal information of Service members. All users of the site will be required to create user accounts. A user account will be required to access both the Single Record Request and the Multiple Record Request capabilities of the MLA website. No search for active service on the MLA website will be possible without a user account. The announcement may be viewed at: <https://mla-ap.dmdc.osd.mil/mla/#/news>

▲ HUD announced it is awarding an additional \$1.2 million under its Fair Housing Initiatives Program (FHIP) to support the efforts of 11 organizations to educate the public and housing providers about their rights and responsibilities under the Fair Housing Act. The announcement may be viewed at: [https://www.hud.gov/press/press\\_releases\\_media\\_advisories/HUD\\_No\\_19\\_084](https://www.hud.gov/press/press_releases_media_advisories/HUD_No_19_084)

▲ Treasury announced the creation of a Financial Innovation Partnership with the United Kingdom's HM Treasury. The partnership aims to build on and deepen bilateral engagement on emerging trends in financial services innovation. This will include encouraging collaboration in the private sector, sharing information and expertise about regulatory practices, and promoting growth and innovation. The announcement may be viewed at: <https://home.treasury.gov/news/press-releases/sm698>

▲ FDIC issued a reminder about the Summary of Deposits Survey, the annual survey of branch office deposits as of June 30 for all FDIC-insured institutions, including insured U.S. branches of foreign banks. All institutions with branch offices are required to submit the survey; institutions with only a main office are exempt. All survey responses are required by July 31, 2019. No filing extensions will

be granted. The notice may be viewed at: <https://www.fdic.gov/news/news/financial/2019/fil19028.html>

▲ FRB, FDIC, and OCC issued the host state loan-to-deposit ratios that they will use to determine compliance with section 109 of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994. These ratios replace the prior year's ratios, which were released on June 15, 2018. The notice may be viewed at: <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20190528a.htm>.

▲ OCC issued the updated "Foreword" booklet of the Comptroller's Handbook. The booklet describes the overall organization and format of the Comptroller's Handbook. The booklet may be viewed at: <https://www.occ.gov/publications/publications-by-type/comptrollers-handbook/foreword/pub-ch-foreword.pdf>

▲ FRB's latest Report on the Economic Well-Being of U.S. Households found that most measures of economic well-being and financial resilience in 2018 were similar to, or slightly better than, those in 2017. Overall, the financial experiences reported by the 11,000 adults surveyed in 2018 were largely positive, and many families have experienced substantial gains since the survey began in 2013, in line with the nation's ongoing economic expansion. When asked about their overall economic well-being, 75 percent of U.S. adults said they were "doing okay" or "living comfortably"—up 12 percentage points from 2013. The full report may be viewed at: <https://www.federalreserve.gov/publications/files/2018-report-economic-well-being-us-households-201905.pdf>

▲ FDIC has resolved a lawsuit with Advance America, Cash Advance Centers, Inc.; Check Into Cash, Inc.; and Northstate Check Exchange. Advance America et al. v. Federal Deposit Insurance Corporation et al. (D.D.C.). The lawsuit had alleged terminations of payday lender bank accounts. In exchange for the plaintiffs' agreement to dismiss the lawsuit, the FDIC is issuing: (1) a statement summarizing its longstanding policies and guid-

ance regarding the circumstances in which the FDIC recommends that a financial institution terminate a customer's deposit account and reiterating preexisting public guidance to financial institutions about providing banking services and carrying out Bank Secrecy Act obligations; and (2) a cover letter transmitting the statement to the plaintiffs that reiterates prior correspondence from the FDIC Chairman, summarizes applicable FDIC policy, and notes that the FDIC is conducting additional training of its workforce. FDIC's accompanying statement may be viewed at: <https://www.fdic.gov/news/news/press/2019/pr19040a.pdf>

▲ CFPB published an article regarding research that showed that veterans, similarly to servicemembers, experience somewhat higher levels of financial well-being than non-veterans. The article may be viewed at: <https://www.consumerfinance.gov/about-us/blog/servicemembers-exhibit-higher-levels-financial-well-being-us-population/>

▲ OCC issued its Semiannual Risk Perspective which addresses key issues facing banks, focusing on those that pose threats to the safety and soundness of banks and their compliance with applicable laws and regulations. The report may be viewed at: <https://www.occ.gov/publications/publications-by-type/semi-annual-risk-perspective/pub-semiannual-risk-perspective-spring-2019.pdf>

▲ FATF issued its May 2019 Business Bulletin which provides a brief update on recent FATF outcomes of interest to the private sector, including those of the 2019 FATF Private Sector Consultative Forum and the FATF/MONEYVAL Joint Experts' meeting. The bulletin may be viewed at: <http://www.fatf-gafi.org/media/fatf/documents/FATF-Business-Bulletin-May-2019.pdf> ■



Conferences | Summits

Schools | Boot Camps

Seminars | Workshops

WBA Webinars

Other Events

## JULY

- **Becoming a Dementia Friendly Organization Webinar**  
10 (Complimentary)
- **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**  
22-26 Chicago; \$2,495/WBA Member
- **Hemp as it Happens Forum**  
23 Wisconsin Dells; \$195/attendee
- 7/31 • **Agricultural Lending School**  
-8/2 Rothschild – \$895/attendee\*  
7/30 \$200/attendee for additional pre-school workshop\*

## AUGUST

- **Chairmans Member Appreciation Golf Outing**  
15 Wisconsin Dells

## SEPTEMBER

- **Management Conference – including CFO Conference**  
10-11 Wisconsin Dells\* \$250/attendee for first two attendees; \$200/additional attendee
- **Stay Ahead of Hackers: Hands-On Cybersecurity Training**  
16 Wisconsin Dells, \$75 for Secur-IT Registrants, \$150 for single session registrants
- **Secur-I.T. Conference**  
17-18 Wisconsin Dells; \$350/first attendee; \$300/additional attendee
- **Introduction to Commercial 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*)
- **IRA Essentials Workshops**  
15 Eau Claire; \$245/attendee  
17 Madison; \$245/attendee  
23 Neenah; \$245/attendee
- **Advanced IRA Workshops**  
16 Eau Claire; \$245/attendee  
18 Madison; \$245/attendee  
24 Neenah; \$245/attendee
- **FIPCO Compliance & Software Forum (Loan & Mortgage)**  
22-23 Wisconsin Dells
- **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

## NOVEMBER

- **Auditing Real Estate Loans Boot Camp**  
5-7 Wisconsin Dells – \$795/attendee\*
- **BOLT Winter Leadership Summit**  
7 Stevens Point – \$100/attendee\*
- **ABA National Agriculture Bankers Conference**  
10-13 Dallas, Texas
- **LEAD360 Conference: Marketing, Retail Banking, Sales and Financial Literacy**  
20-21 Wisconsin Dells; \$350/attendee; \$300 additional attendee\*

» 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.