

Compliance Journal

Special Focus

Can Wisconsin Banks Lawfully Bank Marijuana-Related Businesses?

On January 1, 2020, recreational marijuana becomes lawful in Illinois, making it the eleventh state in the country to legalize marijuana for recreational use. When Illinois Public Act 101-0027 was enacted this past June, Illinois also became the second state bordering Wisconsin to legalize marijuana for recreational use, second to Michigan where licenses will begin being issued next month. Marijuana legalization in neighboring states raises the following question: Can a Wisconsin bank lawfully bank marijuana-related businesses (MRB)¹ that operate in states where recreational marijuana is legal?

State v. Federal Legality

To answer that question, it requires an understanding of the current legal landscape. At a state level, individuals and businesses acting consistent with state law requirements (e.g. licensure, age restrictions) will be deemed lawful actors within the state. However, current federal law muddies the waters regarding whether those individuals and business are acting entirely lawfully. This is because marijuana is still unlawful on the federal level – the Controlled Substances Act (CSA) characterizes marijuana as a Schedule I Controlled Substance and makes it illegal under federal law to manufacture, distribute, dispense, or possess marijuana. Technically speaking, then, individuals acting consistent with state marijuana laws are violating federal law. But, you ask, why don't we often hear of lawful state actors being penalized by federal law enforcement officials?

Enter the Cole Memo. On August 29, 2013, then-[Attorney General James Cole issued a Memorandum](#) (the “Cole Memo”) in response to several states legalizing marijuana. The memo, in so many words, defers enforcement of marijuana-related activity to the states that have enacted laws legalizing marijuana in some form. The Cole Memo sets forth a number of federal enforcement priorities pertaining to marijuana including, for example, preventing the distribution of marijuana to minors, preventing violence and use of firearms in the cultivation and distribution of marijuana, and preventing revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels. Outside of the enforcement priorities delineated in the Cole Memo, the federal government will rely, as it has traditionally relied, on “states and local law enforcement agencies to address marijuana activity through enforcement of their own narcotics laws.”

After the issuance of the Cole Memo, individuals and businesses could act pursuant to state marijuana laws without fear of prosecutorial action from the feds, assuming their actions did not implicate an enforcement priority indicated in the Cole Memo. That “relief” was short-lived, however, as on January 4, 2018, then-[Attorney General Jeff Sessions rescinded the Cole Memo](#). The Cole Memo remains rescinded today. In practice, however, the spirit of the Cole Memo appears to live on, as the rescission issued by Attorney General Sessions continued to provide “prosecutorial discretion.”

Thus, in summary, though recreational marijuana may be lawful at the state level, it remains unlawful and subject to enforcement action at the federal level. In practice, however, it is clear that federal law enforcement officials do not necessarily prioritize taking enforcement action against individuals and businesses acting consistent with state marijuana laws.

BSA Responsibilities

Of course, the legality question is a relevant one for banks because of Bank Secrecy Act (BSA) obligations. As banks, it's imperative that you meet your (BSA) obligations, consistent with your Customer Due Diligence (CDD) program. In short, the bank must ensure

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A marijuana-related business (MRB) is not a defined term, though it has been used in various guidance issued by federal agencies. Questions remain regarding whether a business needs to “touch the plant” to be considered an MRB (e.g. grower, processor, or retailer) or if MRB would include parties accepting monies from MRBs (e.g. landlords, vendors, or suppliers). This definitional question is one for the bank to grapple with, possibly in consultation with regulators, until additional clarification is provided.



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that the transactions conducted through the bank are not derived from illegal activity. As described above, however, transactions flowing through an MRB are, very clearly, derived from illegal activity.

Recognizing the precarious position of financial institutions and the practical realities of having an unbanked yet burgeoning MRB population, the Financial Crimes and Enforcement Network (FinCEN) issued guidance entitled “[BSA Expectations Regarding Marijuana-Related Businesses](#)” on February 14, 2014 (“**FinCEN Guidance**”). The FinCEN Guidance, which is still alive and well today, leaves direction to banks to determine whether to provide financial services to MRBs, but indicates that customer due diligence is a “critical aspect” of this determination. To this end, the FinCEN Guidance delineates financial institutions’ due diligence responsibilities when banking MRBs. Specifically, it outlines requirements including, for example, verifying state licensure and registration and reviewing associated documentation, requesting information about the MRB and related parties from state licensing and enforcement authorities, developing an understanding of the normal and expected activity of the business, and conducting ongoing monitoring.

In addition, the FinCEN Guidance outlines the obligation of financial institutions to file Suspicious Activity Reports (SARs) on activity involving MRBs, which, according to the Guidance “is unaffected by any state law that legalizes marijuana-related activity.” If a bank is providing financial services to an MRB, the bank must file one of the following types of SARs, consistent with FinCEN’s suspicious activity reporting requirements and related thresholds:

- “Marijuana Limited”
- “Marijuana Priority”
- “Marijuana Termination”

Determining which type of SAR to file is described within the FinCEN Guidance. In summary, the determination is based on whether or not Cole Memo priorities are implicated (despite its rescission) and if the account activity leads the bank to terminate the relationship with the customer.

Finally, the FinCEN Guidance notes that a bank’s Currency Transaction Reporting (CTR) responsibilities are unaffected by the fact that a customer is deemed an MRB.

Banks planning to provide financial services to MRBs should familiarize themselves with the obligations outlined in the FinCEN Guidance.

Regulator Considerations

In addition to the criminal liability risks and practical considerations that a bank must consider in weighing the decision to bank MRBs, the regulator risk must also be weighed. Based on our current understanding the various regulators’ position on banking MRBs, the direction is to “follow FinCEN Guidance.” Thus, assuming the bank is following the FinCEN Guidance and has followed applicable policies and procedures, one would assume enforcement action would be avoided.

To the extent your bank is considering providing financial services to MRBs, I suggest getting in touch with your regulator for guidance.

So, What Do I Do?

The head-in-the-sand approach to banking MRBs is not a good one, as the issue will eventually present itself if it hasn’t already. Thus, I suggest banks take the following actions:

- Consider whether your answer to “will you bank an MRB?” is a “yes (under certain circumstances)” or “no”. Develop policies and procedures accordingly and as necessary.

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- Regardless of your policy, it's important to know if your customer is an MRB; thus, you should ask. If the customer is an MRB and your policy says you won't bank them, don't bank them. If your policy is that "yes" (you will consider banking the MRB), you need additional information before you should bank or continue banking the self-identified MRB.
- That additional information is information and documentation that allows the bank to determine whether or not the customer is in compliance with state law. Such collection will typically take the form of a Questionnaire and Certification and will require supporting documentation from the customer. Information will vary from state to state and any such information collection documentation should be developed in consultation with counsel who is familiar with the marijuana laws of the state.
 - If, based on the bank's reasonable due diligence, the customer appears to be in compliance with state law at account-opening or when the bank confirms compliance of an existing customer, I suggest the following:
 - Designate the customer as "High Risk". Consistent with such designation, continue to monitor your MRB customer for compliance with state law on an ongoing basis; and
 - Follow FinCEN Guidance. This includes monitoring the account for the presence of red flags identified in the FinCEN Guidance and filing SARs as appropriate.
 - In contrast, if, based on the bank's reasonable due diligence, the customer appears to NOT be in compliance with state law, the activity is unlawful and inconsistent with FinCEN Guidance. Accordingly, I do not suggest banking the customer.

The Future

The good news is that we only anticipate greater clarity as time marches on. Such clarity could come with enactment of the Secure and Fair Enforcement Banking Act of 2019 ("SAFE Banking Act"), which has already cleared the Senate and is now in the hands of the House. In summary, the Act would provide protections for financial institutions that provide financial services to legitimate cannabis-related businesses and services providers. The Act would allow banks to serve cannabis-related businesses without fear of adverse action from the regulators or criminal liability. The Act would not eliminate the need for banks to make policy decisions and draft implementing policies and procedures pertaining to MRBs, but it would certainly reduce ambiguity and provide protections that bankers need to feel comfortable serving this clientele. Stay tuned on the SAFE Banking Act and/or other possible legislative fixes to the precarious relationship between the banker and the MRB.

WBA wishes to thank Atty. Lauren C. Capitini, Boardman & Clark, LLP for providing this article. ■

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Regulatory Spotlight

Agencies Finalize Real Estate Appraisals 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 adopting a final rule to amend the agencies' regulations requiring appraisals of real estate for certain transactions. The final rule increases the threshold level at or below which appraisals are not required for residential real estate transactions from \$250,000 to \$400,000. The final rule defines a residential real estate transaction as a real estate-related financial transaction that is secured by a single 1-to-4 family residential property. For residential real estate transactions exempted from the appraisal requirement as a result of the revised threshold, regulated institutions must obtain an evaluation of the real property collateral that is consistent with safe and sound banking practices. The final rule makes a conforming change to add to the list of exempt transactions those transactions secured by residential property in rural areas that have been exempted from the agencies' appraisal requirement pursuant to the Economic Growth, Regulatory Relief, and Consumer Protection Act. The final rule requires evaluations for these exempt transactions. The final rule also amends the agencies' appraisal regulations to require regulated institutions to subject appraisals for federally related transactions to appropriate review for compliance with the Uniform Standards of Professional Appraisal Practice. The final rule is effective on **10/09/2019**, except for the amendments in instructions 4, 5, 9, 10, 14, and 15, which are effective on **01/01/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-08/pdf/2019-21376.pdf>. *Federal Register*, Vol. 84, No. 195, 10/08/2019, 53579-53598.

Agencies Finalize Thresholds Increase for the Major Assets Prohibition of the Depository Institution Management Interlocks Act Rules.

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 issuing a final rule that increases the thresholds in the major assets prohibition for management interlocks for purposes of the Depository Institution Management Interlocks Act (DIMIA). The DIMIA major assets prohibition prohibits a management official of a depository organization with total assets exceeding \$2.5 billion (or any affiliate of such an organization) from serving at the same time as a management official of an unaffiliated depository organization with total assets exceeding \$1.5 billion (or any affiliate of such an organization). DIMIA provides that the agencies may adjust, by regulation, the major assets prohibition thresholds in order to allow for inflation or market changes. The final rule increases both major assets prohibition thresholds to \$10 billion to account for changes in the United States banking market since the current thresholds were established in 1996. The final rule is effective **10/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-10/pdf/2019-21840.pdf>. *Federal Register*, Vol. 84, No. 197, 10/10/2019, 54465-54472.

Agencies Request Comment on Information Collection.

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) announced they seek comment on the information collection titled Consolidated Reports of Condition and Income. The agencies also gave notice that they sent the collection to OMB for review. Comments are due **12/03/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-04/pdf/2019-21659.pdf>. *Federal Register*, Vol. 84, No. 193, 10/04/2019, 53227-53241.

CFPB Issues Policy on No-Action Letters.

The Bureau of Consumer Financial Protection (CFPB) issued its revised Policy on No-Action Letters, which is intended to carry out certain of CFPB's authorities under Federal consumer financial law. CFPB believes that the No-Action Letters issued pursuant to the Policy will benefit consumers, entities that offer or provide consumer financial products and services, and the public interest more generally. CFPB expects that implementation of the Policy will also inform the exercise of its other authorities, including rulemaking. The policy is applicable **09/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-13/pdf/2019-19763.pdf>. *Federal Register*, Vol. 84, No. 178, 09/13/2019, 48229-48246.

CFPB Issues Policy on the Compliance Assistance Sandbox.

CFPB issued its final Policy on the Compliance Assistance Sandbox (CAS Policy), which is intended to carry out certain of CFPB's authorities under Federal consumer financial law. The primary purpose of the CAS Policy is to provide a mechanism through which CFPB may more effectively carry out its statutory purpose and objectives by better enabling compliance in the face of regulatory



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uncertainty. The policy is applicable **09/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-13/pdf/2019-19762.pdf>. *Federal Register*, Vol. 84, No. 178, 09/13/2019, 48246-48260.

CFPB Issues Policy to Encourage Trial Disclosure Programs.

CFPB is creating the CFPB Disclosure Sandbox through issuance of its revised Policy to Encourage Trial Disclosure Programs, which is intended to carry out the Bureau's authority under section 1032(e) of the Dodd-Frank Act. The policy is applicable **09/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-13/pdf/2019-19761.pdf>. *Federal Register*, Vol. 84, No. 178, 09/13/2019, 48260-48272.

CFPB Issues 2019 Consumer Credit Card Market Report.

CFPB issued its fourth biennial Consumer Credit Card Market Report to Congress. The report reviews developments in this consumer market since CFPB's most recent biennial report on the same subject in 2017. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-13/pdf/2019-19811.pdf>. *Federal Register*, Vol. 84, No. 178, 09/13/2019, 48331-48333.

CFPB Issues Correction to Fair Lending Report.

CFPB released its Fair Lending Annual Report to Congress on 06/28/2019, describing CFPB efforts to fulfill its fair lending mandate during calendar year 2018. Also, as part of the CFPB's annual reporting requirements, the report provided a summary of enforcement activity taken in 2018 by the other Federal Financial Institutions Examination Council (FFIEC) agencies assigned with administrative enforcement responsibilities under Equal Credit Opportunity Act (ECOA). On **09/24/2019**, CFPB revised the report to correct the omission of a 2018 referral by the Federal Deposit Insurance Corporation (FDIC) to the U.S. Department of Justice (DOJ) involving national origin discrimination in violation of ECOA. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-01/pdf/2019-21225.pdf>. *Federal Register*, Vol. 84, No. 190, 10/01/2019, 52075-52076.

CFPB Requests Comment on Tech Sprints.

CFPB seeks comments and information to identify opportunities to utilize Tech Sprints as a means to encourage regulatory innovation and collaborate with stakeholders in developing viable solutions to regulatory compliance challenges. Comments are due **11/08/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-18/pdf/2019-20201.pdf>. *Federal Register*, Vol. 84, No. 181, 09/18/2019, 49099-49100.

CFPB Issues Summer 2019 Supervisory Highlights.

CFPB issued its nineteenth edition of its Supervisory Highlights. In this issue of Supervisory Highlights, CFPB reports examination findings in the areas of automobile loan origination, credit card account management, debt collection, furnishing, and mortgage origination that were generally completed between December 2018 and March 2019 (unless otherwise stated). 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. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-19/pdf/2019-20215.pdf>. *Federal Register*, Vol. 84, No. 182, 09/19/2019, 49250-49255.

FRB Finalizes Amendments to Regulation A.

The Board of Governors of the Federal Reserve System (FRB) has adopted final amendments to its Regulation A to reflect FRB's approval of a decrease in the rate for primary credit at each Federal Reserve Bank. The secondary credit rate at each Reserve Bank automatically decreased by formula as a result of FRB's primary credit rate action. The amendments to part 201 (Regulation A) are effective **10/03/2019**. The rate changes for primary and secondary credit were applicable on **09/19/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-03/pdf/2019-21344.pdf>. *Federal Register*, Vol. 84, No. 192, 10/03/2019, 52752-52753.



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FRB Finalizes Amendments to Regulation D.

FRB is amending Regulation D (Reserve Requirements of Depository Institutions) to revise the rate of interest paid on balances maintained to satisfy reserve balance requirements (IORR) and the rate of interest paid on excess balances (IOER) maintained at Federal Reserve Banks by or on behalf of eligible institutions. The final amendments specify that IORR is 1.80 percent and IOER is 1.80 percent, a 0.30 percentage point decrease from their prior levels. The amendments are intended to enhance the role of such rates of interest in moving the Federal funds rate into the target range established by the Federal Open Market Committee (FOMC). The amendments to part 204 (Regulation D) are effective **10/03/2019**. The IORR and IOER rate changes were applicable on **09/19/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-03/pdf/2019-21346.pdf>. *Federal Register*, Vol. 84, No. 192, 10/03/2019, 52753-52754.

FDIC Proposes Rescission of Policy Statements.

The Federal Deposit Insurance Corporation (FDIC) proposes to rescind the following four Statements of Policy because they are outdated and no longer necessary: Applicability of the Glass-Steagall Act to Securities Activities of Subsidiaries of Insured Nonmember Banks; Treatment of Collateralized Letters of Credit After Appointment of the FDIC as Conservator or Receiver; Treatment of Collateralized Put Obligations After Appointment of the FDIC as Conservator or Receiver; and Contracting with Firms that have Unresolved Audit Issues with the FDIC. Although these Statements of Policy were not subject to public comment prior to their adoption, FDIC has, on a discretionary basis, elected to provide a period for public comment on the proposed rescission of these Policy Statements. Comments are due **10/30/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-30/pdf/2019-20588.pdf>. *Federal Register*, Vol. 84, No. 189, 09/30/2019, 51467-51469.

FDIC Proposes Removal of Transferred OTS Regulations.

- FDIC proposes to rescind and remove from the Code of Federal Regulations 12 CFR part 390, subpart R, entitled Regulatory Reporting Standards (part 390, subpart R). The policy objectives of the proposed rule are twofold. The first is to simplify FDIC's regulations by removing unnecessary ones and thereby improving ease of reference and public understanding. The second is to promote parity between State savings associations and State nonmember banks by having the regulatory reporting requirements, regulatory reports and audits of both classes of institutions addressed in the same FDIC rules. Comments are due **11/01/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-02/pdf/2019-20610.pdf>. *Federal Register*, Vol. 84, No. 191, 10/02/2019, 52387-52392.
- FDIC issued a notice of proposed rulemaking with request for comments in the *Federal Register* on 09/04/2019 on proposed revisions to its regulations relating to deposits that apply to State savings associations. The FDIC is supplementing that notice of proposed rulemaking with an updated regulatory flexibility analysis to reflect changes to the Small Business Administration's monetary-based size standards, which were adjusted for inflation as of **08/19/2019**. Comments on the updated regulatory flexibility analysis must be received on or before **11/04/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-03/pdf/2019-21323.pdf>. *Federal Register*, Vol. 84, No. 192, 10/03/2019, 52834-52835.
- FDIC proposes to rescind and remove from the Code of Federal Regulations rules entitled Accounting Requirements (part 390, subpart T) that were transferred to the FDIC from the Office of Thrift Supervision (OTS) on **07/21/2011**, in connection with the implementation of Title III of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). The proposed rule would rescind and remove part 390, subpart T (including the Appendix to 12 CFR 390.384) because the financial statement and disclosure requirements set forth in part 390, subpart T are substantially similar to, although more detailed than, otherwise applicable financial statement form and content requirements and disclosure requirements that a State savings association must satisfy under federal banking or securities laws or regulations. Comments are due **11/04/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-03/pdf/2019-20770.pdf>. *Federal Register*, Vol. 84, No. 192, 10/03/2019, 52827-52834.
- FDIC issued a notice of proposed rulemaking with request for comments in the *Federal Register* on **10/02/2019** on a proposal that would rescind and remove from the Code of Federal Regulations 12 CFR part 390, subpart R, entitled Regulatory Reporting Standards (part 390, subpart R). FDIC is supplementing that notice of proposed rulemaking with an updated regulatory flexibility analysis to reflect a few typographical changes. Comments on the updated regulatory flexibility analysis are due **11/08/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-09/pdf/2019-21966.pdf>. *Federal Register*, Vol. 84, No. 196, 10/09/2019, 54045-54046.



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FDIC Proposes Assessments.

FDIC issued a notice of proposed rulemaking with request for comments in the *Federal Register* on **09/04/2019** on a proposal that would amend the deposit insurance assessment regulations that govern the use of small bank assessment credits (small bank credits) and one-time assessment credits (OTACs) by certain insured depository institutions (IDIs). The FDIC is supplementing that notice of proposed rulemaking with an updated regulatory flexibility analysis to reflect changes to the Small Business Administration's monetary-based size standards which were adjusted for inflation as of **08/19/2019**. Comments are due **11/04/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-03/pdf/2019-21322.pdf>. *Federal Register*, Vol. 84, No. 192, 10/03/2019, 52826-52827.

FDIC Issues Supplemental Notice on Interest Rate Restrictions Proposal.

FDIC issued a notice of proposed rulemaking with request for comments in the *Federal Register* on **09/04/2019** on proposed revisions to its regulations relating to interest rate restrictions that apply to less than well capitalized insured depository institutions. FDIC is supplementing that notice of proposed rulemaking with an updated regulatory flexibility analysis to reflect changes to the Small Business Administration's monetary-based size standards which were adjusted for inflation as of **08/19/2019**. Comments on the updated regulatory flexibility analysis are due **11/08/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-09/pdf/2019-21324.pdf>. *Federal Register*, Vol. 84, No. 196, 10/09/2019, 54044-54045.

FDIC Requests Comment on Information Collection.

- FDIC announced it seeks comment on the information collection titled Generic Clearance for Prize Competition Participation. FDIC also gave notice that it sent the collection to OMB for review. Comments are due **10/15/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-12/pdf/2019-19715.pdf>. *Federal Register*, Vol. 84, No. 177, 09/12/2019, 48143-48145.
- FDIC announced it seeks comment on the information collection titled Appraisal for Higher-Priced Mortgage Loans. FDIC also gave notice that it sent the collection to OMB for review. Comments are due **10/16/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-16/pdf/2019-19927.pdf>. *Federal Register*, Vol. 84, No. 179, 09/16/2019, 48614-48615.
- FDIC announced it seeks comment on the information collection titled Home Mortgage Disclosure (HMDA). FDIC also gave notice that it sent the collection to OMB for review. Comments are due **10/21/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-19/pdf/2019-20216.pdf>. *Federal Register*, Vol. 84, No. 182, 09/19/2019, 49298-49302.
- FDIC announced it seeks comment on the information collection titled Joint Standards for Assessing Diversity Policies and Practices. FDIC also gave notice that it sent the collection to OMB for review. Comments are due **11/25/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-26/pdf/2019-20920.pdf>. *Federal Register*, Vol. 84, No. 187, 09/26/2019, 50838-50839.
- FDIC announced it seeks comment on the information collection titled Transfer Agent Registration and Amendment Form. FDIC also gave notice that it sent the collection to OMB for review. Comments are due **11/29/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-30/pdf/2019-21107.pdf>. *Federal Register*, Vol. 84, No. 189, 09/30/2019, 51566-51569.

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-2019-09-16/>



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[pdf/2019-19924.pdf](#). *Federal Register*, Vol. 84, No. 179, 09/16/2019, 48615.

<https://www.govinfo.gov/content/pkg/FR-2019-10-04/pdf/2019-21642.pdf>. *Federal Register*, Vol. 84, No. 193, 10/04/2019, 53149.

- FDIC as Receiver for former depository institutions, intends to terminate its receivership for the institutions listed in the notice. 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 notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-16/pdf/2019-19925.pdf>. *Federal Register*, Vol. 84, No. 179, 09/16/2019, 48615-48616.
<https://www.govinfo.gov/content/pkg/FR-2019-09-16/pdf/2019-19926.pdf>. *Federal Register*, Vol. 84, No. 179, 09/16/2019, 48615.
<https://www.govinfo.gov/content/pkg/FR-2019-09-27/pdf/2019-20999.pdf>. *Federal Register*, Vol. 84, No. 188, 09/27/2019, 51159-51160.

OCC Finalizes Amendments to Stress Testing Rule.

The Office of the Comptroller of the Currency (OCC) is adopting a final rule to amend OCC's company-run stress testing requirements for national banks and Federal savings associations, consistent with section 401 of the Economic Growth, Regulatory Relief, and Consumer Protection Act. Specifically, the final rule revises the minimum threshold for national banks and Federal savings associations to conduct stress tests from \$10 billion to \$250 billion, revises the frequency by which certain national banks and Federal savings associations will be required to conduct stress tests, and reduces the number of required stress testing scenarios from three to two. The final rule is effective **11/24/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-10/pdf/2019-21843.pdf>. *Federal Register*, Vol. 84, No. 197, 10/10/2019, 54472-54476.

OCC Requests Comment on Information Collections.

- OCC announced it seeks comment on the information collection titled General Reporting and Recordkeeping Requirements by Savings Associations. OCC also gave notice that it sent the collection to OMB for review. Comments are due **10/24/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-24/pdf/2019-20577.pdf>. *Federal Register*, Vol. 84, No. 185, 09/24/2019, 50099-50100.
- OCC announced it seeks comment on the information collection titled Licensing Manual. OCC also gave notice that it sent the collection to OMB for review. Comments are due **11/29/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-30/pdf/2019-21071.pdf>. *Federal Register*, Vol. 84, No. 189, 09/30/2019, 51711-51712.
- OCC announced it seeks comment on the information collection titled Company-Run Annual Stress Test Reporting Template and Documentation for Covered Institutions with Total Consolidated Assets of \$250 Billion or More under the Dodd-Frank Wall Street Reform and Consumer Protection Act. OCC also gave notice that it sent the collection to OMB for review. Comments are due **12/02/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-01/pdf/2019-21211.pdf>. *Federal Register*, Vol. 84, No. 190, 10/01/2019, 52174-52176.

HUD Issues Designation of Difficult Development Areas and Qualified Census Tracts for 2020.

The Department of Housing and Urban Development (HUD) issued designations of Difficult Development Areas (DDAs) and Qualified Census Tracts (QCTs) for purposes of the Low-Income Housing Tax Credit (LIHTC) under Internal Revenue Code (IRC) Section 42, as enacted by the Tax Reform Act of 1986. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-25/pdf/2019-20833.pdf>. *Federal Register*, Vol. 84, No. 186, 09/25/2019, 50465-50470.



Regulatory Spotlight

HUD Issued Revised RAD Notice.

HUD's Rental Assistance Demonstration (RAD) provides the opportunity to facilitate the conversion of assistance of public housing properties and other HUD-assisted properties to long-term, project-based Section 8 rental assistance. The notice announces the posting of the fourth revision to the RAD notice (Revised RAD Notice Revision 4, PIH- 2019-23 (HA)/H-2019-09, REV-4) and solicits public comment on changed eligibility and selection criteria. Comments are due **11/12/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-10/pdf/2019-22134.pdf>. *Federal Register*, Vol. 84, No. 197, 10/10/2019, 54630-54632.

HUD Requests Comment on Information Collections.

HUD announced it seeks comment on the information collection titled Certification of Consistency With Opportunity Zone Initiative-Related Activity. HUD also gave notice that it sent the collection to OMB for review. Comments are due **12/09/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-10/pdf/2019-22135.pdf>. *Federal Register*, Vol. 84, No. 197, 10/10/2019, 54629-54630.

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**, **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-2019-09-23/pdf/2019-20481.pdf>. *Federal Register*, Vol. 84, No. 184, 09/23/2019, 49749-49751.
- 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 state of **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-2019-10-07/pdf/2019-21758.pdf>. *Federal Register*, Vol. 84, No. 194, 10/07/2019, 53455-53457.

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 **Iowa**. 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 **12/12/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-13/pdf/2019-19700.pdf>. *Federal Register*, Vol. 84, No. 178, 09/13/2019, 48364-48366.
- 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 **Ohio**. 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 **12/23/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-23/pdf/2019-20478.pdf>. *Federal Register*, Vol. 84, No. 184, 09/23/2019, 49747-49748.



Regulatory Spotlight

FinCEN Issues Inflation Adjustment of Civil Monetary Penalties.

The Financial Crimes Enforcement Network (FinCEN) issued a final rule to reflect inflation adjustments to its civil monetary penalties (CMPs) as mandated 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 rule adjusts certain CMPs within the jurisdiction of FinCEN to the maximum amount required by the Act. The final rule is effective **10/10/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-10/pdf/2019-22094.pdf>. *Federal Register*, Vol. 84, No. 197, 10/10/2019, 54495-54496.

FinCEN Issues Correction to Inflation Adjustment of Civil Monetary Penalties.

FinCEN published a final rule in the *Federal Register* on **03/19/2019** to make the 2018 annual adjustment to its civil monetary penalties (CMPs) for inflation as mandated 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 Act). The final rule adjusted CMPs within the jurisdiction of FinCEN to the maximum amount required by the Act for 2018. However, that final rule inadvertently used the 2017 annual adjustment penalty assessment dates in the penalty adjustment table, as opposed to using the 2018 annual adjustment penalty assessment dates. This document corrects the penalty assessment dates in the penalty adjustment table for the 2018 annual adjustment. The correction is effective **10/01/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-01/pdf/2019-21156.pdf>. *Federal Register*, Vol. 84, No. 190, 10/01/2019, 51973-51974.

FinCEN Issues Correction to Correction to Inflation Adjustment of Civil Monetary Penalties.

FinCEN published a correction in the *Federal Register* on **10/01/2019**, correcting a final rule published in the *Federal Register* on **03/19/2019** to make the 2018 annual adjustment to its civil monetary penalties (CMPs) for inflation. This notice makes a correction to the table in the **10/01/2019** correction. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-04/pdf/C1-2019-21156.pdf>. *Federal Register*, Vol. 84, No. 193, 10/04/2019, 53053.

Treasury Finalizes Amendments to Hardship Distributions Rules.

The Department of the Treasury (Treasury) finalized regulations that amend the rules relating to hardship distributions from section 401(k) plans. The final regulations reflect statutory changes affecting section 401(k) plans, including changes made by the Bipartisan Budget Act of 2018. The regulations affect participants in, beneficiaries of, employers maintaining, and administrators of plans that include cash or deferred arrangements or provide for employee or matching contributions. The regulations are effective **09/23/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-23/pdf/2019-20511.pdf>. *Federal Register*, Vol. 84, No. 184, 09/23/2019, 49651-49659.

Treasury Proposes Regulations to Application of the Employer Shared Responsibility Provisions and Certain Nondiscrimination Rules.

Treasury proposed regulations to clarify the application of the employer shared responsibility provisions and certain nondiscrimination rules under the Internal Revenue Code (Code) to health reimbursement arrangements (HRAs) and other account-based group health plans integrated with individual health insurance coverage or Medicare (individual coverage HRAs), and to provide certain safe harbors with respect to the application of those provisions to individual coverage HRAs. The proposed regulations are intended to facilitate the adoption of individual coverage HRAs by employers, and taxpayers generally are permitted to rely on the proposed regulations. The proposed regulations would affect employers, employees and their family members, and plan sponsors. Comments are due **12/30/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-30/pdf/2019-20034.pdf>. *Federal Register*, Vol. 84, No. 189, 09/30/2019, 51471-51490.

Treasury Proposes Contribution Limits Applicable to ABLE Accounts.

Treasury proposed regulations related to the Internal Revenue Code (Code), which allows a State (or its agency or instrumentality) to establish and maintain a tax-advantaged savings program under which contributions may be made to an ABLE account for the purpose of paying for the qualified disability expenses of the designated beneficiary of the account. The affected Code section was amended by the Tax Cuts and Jobs Act, signed into law on **12/22/2017**. The Tax Cuts and Jobs Act allows certain designated beneficiaries to



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contribute a limited amount of compensation income to their own ABLE accounts. Comments are due **01/08/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-10/pdf/2019-21477.pdf>. *Federal Register*, Vol. 84, No. 197, 10/10/2019, 54529-54533.

Treasury Requests Comment on Information Collections.

- Treasury announced it seeks comment on the information collection titled Electronic Payee Statements. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **11/18/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-18/pdf/2019-20167.pdf>. *Federal Register*, Vol. 84, No. 181, 09/18/2019, 49180.
- Treasury announced it seeks comment on the information collection titled Dividends and Distributions. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **11/18/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-19/pdf/2019-20317.pdf>. *Federal Register*, Vol. 84, No. 182, 09/19/2019, 49379.
- Treasury announced it seeks comment on the information collection titled Average Area Purchase Price Safe Harbors and Nationwide Purchase Prices under section 143. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **11/25/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-24/pdf/2019-20637.pdf>. *Federal Register*, Vol. 84, No. 185, 09/24/2019, 50101-50102.
- Treasury announced it seeks comment on the information collection titled FHA New Account Request, Transition Request, and Transfer Request. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **10/28/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-26/pdf/2019-20876.pdf>. *Federal Register*, Vol. 84, No. 184, 09/26/2019, 50887.
- Treasury announced it seeks comment on the information collection titled Original Issue Discount. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **11/26/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-27/pdf/2019-20960.pdf>. *Federal Register*, Vol. 84, No. 188, 09/27/2019, 51226-51227.
- Treasury announced it seeks comment on the information collection titled Qualified Business Income Deduction Simplified Computation. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **12/02/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-01/pdf/2019-21307.pdf>. *Federal Register*, Vol. 84, No. 190, 10/01/2019, 52176-52177.
- Treasury announced it seeks comment on the information collection titled Initial and Annual Statements of Qualified Opportunity Fund (QOF) Investments. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **12/02/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-01/pdf/2019-21308.pdf>. *Federal Register*, Vol. 84, No. 190, 10/01/2019, 52176.
- Treasury announced it seeks comment on the information collection titled Information Return for Build America Bonds and Recovery Zone Economic Development Bonds. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **12/02/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-02/pdf/2019-21425.pdf>. *Federal Register*, Vol. 84, No. 191, 10/02/2019, 52591.
- Treasury announced it seeks comment on the information collection titled Donee Information Return (Sale, Exchange, or Other Disposition of Donated Property) (Form 8282) and Noncash Charitable Contributions. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **12/02/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-02/pdf/2019-21433.pdf>. *Federal Register*, Vol. 84, No. 191, 10/02/2019, 52592-52593.
- Treasury announced it seeks comment on the information collection titled Health Coverage Tax Credit (HCTC) Advance Payments. Treasury also gave notice that it sent the collection to OMB for review. Comments are due **12/02/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-02/pdf/2019-21434.pdf>. *Federal Register*, Vol. 84, No. 191, 10/02/2019, 52590-52591.



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Treasury Establishes Pricing for 2019 United States Mint Numismatic Product.

Treasury is announcing pricing for a new United States Mint numismatic product in accordance with the table in the notices. The notices may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-08/pdf/2019-21928.pdf>. *Federal Register*, Vol. 84, No. 195, 10/08/2019, 53836.

SBA Requests Comment on Information Collections.

The Small Business Administration (SBA) announced it seeks comment on the information collection titled Evaluation of Fees on SBA's Surety Bond Guarantee Program. SBA also gave notice that it sent the collection to OMB for review. Comments are due **11/29/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-30/pdf/2019-21109.pdf>. *Federal Register*, Vol. 84, No. 189, 09/30/2019, 51707-51708.

FSA, FCIC, and CCC Finalize Agricultural Disaster Indemnity Programs.

The Farm Service Agency (FSA), Federal Crop Insurance Corporation (FCIC), and the Commodity Credit Corporation (CCC) issued a rule establishing provisions for providing agricultural disaster assistance as authorized by the Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Disaster Relief Act). The Wildfire and Hurricane Indemnity Program Plus (WHIP+) will provide payments to eligible producers who suffered eligible crop, tree, bush, and vine losses resulting from hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, and wildfires that occurred in the 2018 and 2019 calendar years. The On-Farm Storage Loss Program will provide payments to eligible producers who suffered uncompensated losses of harvested commodities stored in farm structures as a result of hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, and wildfires that occurred in the 2018 and 2019 calendar years. The Wildfire and Hurricane Indemnity Program (WHIP) Milk Loss Program will provide payments to eligible dairy operations for milk that was dumped or removed without compensation from the commercial milk market due to hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, and wildfires that occurred in the 2018 and 2019 calendar years. The rule specifies the administrative provisions, eligibility requirements, application procedures, and payment calculations for WHIP+, On-Farm Storage Loss Program, and WHIP Milk Loss Program. The rule is effective **09/13/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-13/pdf/2019-19932.pdf>. *Federal Register*, Vol. 84, No. 178, 09/13/2019, 48518-48537.

FSA Requests Comment on Information Collection.

The Farm Service Agency (FSA) announced it seeks comment on the information collection titled Organic Certification Cost Share Program. FSA also gave notice that it sent the collection to OMB for review. Comments are due **12/03/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-04/pdf/2019-21573.pdf>. *Federal Register*, Vol. 84, No. 193, 10/04/2019, 53100-53101.

FCA Proposes Amendments to Investment Regulations.

The Farm Credit Administration (FCA) is proposing to amend its investment regulations to allow Farm Credit System (FCS) associations to purchase and hold the portion of certain loans that non-FCS lenders originate and sell in the secondary market, and that the United States Department of Agriculture (USDA) unconditionally guarantees or insures as to the timely payment of principal and interest. Comments are due **11/18/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-18/pdf/2019-19917.pdf>. *Federal Register*, Vol. 84, No. 181, 09/18/2019, 49069-49071.

FCA Requests Comment on Implementation of the Current Expected Credit Losses Methodology.

FCA is inviting public comment on a proposal to address changes to our capital and other regulations, including certain regulatory disclosure requirements, in response to recent changes in the U.S. generally accepted accounting principles (U.S. GAAP). Comments are due **11/22/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-23/pdf/2019-19916.pdf>. *Federal Register*, Vol. 84, No. 184, 09/23/2019, 49684-49690.



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FCA and CCC Issue Notice of Availability of Draft Programmatic Environmental Assessment for Conservation Reserve Program.

The Farm Credit Administration (FCA), and the Commodity Credit Corporation (CCC) announced the availability for review and comment the draft Programmatic Environmental Assessment (PEA) assessing the alternatives to and anticipated environmental impacts of potential changes from the Agricultural Improvement Act of 2018 (2018 Farm Bill) to the Conservation Reserve Program (CRP), in compliance with the National Environmental Policy Act of 1969 (NEPA). The intent of this notice is to make the draft PEA available for review and request comments by the public, other agencies, and Tribes on the proposed alternatives and their potential impacts to the human environment. The feedback received from this notice will be incorporated into the final PEA, as appropriate, prior to FSA's decision. Comments are due **10/27/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-03/pdf/2019-21481.pdf>. *Federal Register*, Vol. 84, No. 192, 10/03/2019, 52868-52869.

FCIC Finalized Nonprocurement Debarment and Suspension.

The Federal Crop Insurance Corporation (FCIC) issued a final rule to adopt certain provisions of the Office of Management and Budget (OMB) guidelines to agencies on governmentwide debarment and suspension (nonprocurement) not previously adopted, to adopt changes made to the OMB guidance after its initial publication in 2010, and to revise the definition of the term "disqualified" to add the statutory disqualification requirements for USDA agencies. Finally, this rule removes a reference to the old USDA suspension and debarment regulations for the Federal Crop Insurance Corporation and replaces it with the current regulations. The final rule is effective **10/04/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-04/pdf/2019-20865.pdf>. *Federal Register*, Vol. 84, No. 193, 10/04/2019, 52993-52997.

RUS and RHS Announces Community Facilities Guaranteed Loan Program Guarantee Fee Rate.

The Rural Utilities Service (RUS), and the Rural Housing Service (RHS) announced implementation of several provisions of the 2018 Farm Bill related to RUS and RHS agencies of the Rural Development mission area of the United States Department of Agriculture (USDA). Specifically, it provides notice of the population change in the rural area definition for the Community Facilities (CF) Guaranteed Loan Program and the Water and Waste Disposal (WWD) Guaranteed Loan Program and priorities for each program. It also provides established fee levels for Fiscal Year (FY) 2020 for the CF Guaranteed Loan Program. This Notice is being issued prior to enactment of full year appropriation for FY 2020. The Agency will publish the amount of funding received in the final appropriations act on its website at <https://www.rd.usda.gov/newsroom/fy2020-appropriated-funding>. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-03/pdf/2019-21475.pdf>. *Federal Register*, Vol. 84, No. 192, 10/03/2019, 52869-52870.

SEC Proposes Update of Statistical Disclosures for Bank and Savings and Loan Registrants.

The Securities and Exchange Commission (SEC) proposed rules to update its statistical disclosures for banking registrants. These registrants currently provide many disclosures in response to the items set forth in Industry Guide 3 (Guide 3), Statistical Disclosure by Bank Holding Companies, which are not Commission rules. The proposed rules would update the disclosures that investors receive, codify certain Guide 3 disclosures and eliminate other Guide 3 disclosures that overlap with Commission rules, U.S. Generally Accepted Accounting Principles (U.S. GAAP), or International Financial Reporting Standards (IFRS). In addition, SEC proposes to relocate the codified disclosures to a new subpart of Regulation S-K and to rescind Guide 3. Comments are due **12/02/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-03/pdf/2019-20491.pdf>. *Federal Register*, Vol. 84, No. 192, 10/03/2019, 52936-52980.

FASB Issues Statement of Federal Financial Accounting Standards 57.

The Federal Accounting Standards Advisory Board (FASB) has issued Statement of Federal Financial Accounting Standards 57, Omnibus Amendments 2019. The Statement is available on the FASB website at <https://www.fasab.gov/accounting-standards/>. Copies can be obtained by contacting FASB at (202) 512-7350. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-02/pdf/2019-21451.pdf>. *Federal Register*, Vol. 84, No. 191, 10/02/2019, 52504.



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NCUA Finalizes Rule on Payday Alternative Loans.

The National Credit Union Administration (NCUA) issued a final rule (referred to as the PALs II rule) to allow federal credit unions (FCUs) to offer additional payday alternative loans (PALs) to their members. The final rule does not replace the NCUA's current PALs rule (the PALs I rule). Rather, the PALs II rule grants FCUs additional flexibility to offer their members meaningful alternatives to traditional payday loans while maintaining many of the key structural safeguards of the PALs I rule. The final rule is effective **12/02/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-01/pdf/2019-20821.pdf>. *Federal Register*, Vol. 84, No. 190, 10/01/2019, 51942-51952.

NCUA Finalizes Federal Credit Union Bylaws.

NCUA is issuing a final rule to update, clarify, and simplify the federal credit union bylaws (FCU Bylaws). The final rule updates and conforms the FCU Bylaws to legal opinions issued by NCUA's Office of General Counsel and provides greater flexibility to federal credit unions. The final rule also makes other changes that are designed to remove outdated or obsolete provisions. The final rule is effective 01/02/2020. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-04/pdf/2019-20826.pdf>. *Federal Register*, Vol. 84, No. 193, 10/04/2019, 53278-53302.

NCUA Finalizes Amendments to Supervisory Committee Audits and Verifications.

NCUA is amending its regulations governing the responsibilities of a federally insured credit union (FICU) to obtain an annual supervisory committee audit of the credit union. The final rule implements recommendations outlined in the agency's Regulatory Reform Task Force's Regulatory Reform Agenda and will provide additional flexibility to FICUs. Specifically, NCUA is: Replacing the Supervisory Committee Guide with a simplified appendix to the part; eliminating two audit types that FICUs seldom use; and eliminating a specific deadline for outside, compensated persons to deliver written audit reports to FICUs. The final rule is effective **01/06/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-07/pdf/2019-20822.pdf>. *Federal Register*, Vol. 84, No. 194, 10/07/2019, 53303-53308.

NCUA Requests Comment on Information Collections.

- NCUA announced it seeks comment on the information collection titled Production of Non-public Records and Testimony of Employees in Legal Proceedings. NCUA also gave notice that it sent the collection to OMB for review. Comments are due **11/06/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-07/pdf/2019-21800.pdf>. *Federal Register*, Vol. 84, No. 194, 10/07/2019, 53476-53477.
- NCUA announced it seeks comment on the information collection titled Production of Non-public Monitoring Bank Secrecy, 12 CFR Part § 748.2. NCUA also gave notice that it sent the collection to OMB for review. Comments are due **12/06/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-10-07/pdf/2019-21801.pdf>. *Federal Register*, Vol. 84, No. 194, 10/07/2019, 53476.

VA Announces Assistance to Eligible Individuals in Acquiring Specially Adapted Housing.

The Department of Veterans Affairs (VA) announced that the aggregate amounts of assistance available under the Specially Adapted Housing (SAH) grant program will increase by 5.51 percent for Fiscal Year (FY) 2020. The increases in aggregate amounts are effective **10/01/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-25/pdf/2019-20728.pdf>. *Federal Register*, Vol. 84, No. 186, 09/25/2019, 50562-50563.

DOL Finalizes Exemptions for Executive, Administrative, Professional, Outside Sales, and Computer Employees.

The Department of Labor (DOL) is updating and revising the regulations issued under the Fair Labor Standards Act implementing the exemptions from minimum wage and overtime pay requirements for executive, administrative, professional, outside sales, and computer employees. The final rule is effective **01/01/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-27/pdf/2019-20353.pdf>. *Federal Register*, Vol. 84, No. 188, 09/27/2019, 51230-51308.



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DOL Requests Comment on Information Collections.

- DOL announced it seeks comment on the information collection titled Employment Information Form. DOL also gave notice that it sent the collection to OMB for review. Comments are due **10/28/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-27/pdf/2019-20350.pdf>. *Federal Register*, Vol. 84, No. 188, 09/27/2019, 51179-51180.
- DOL announced it seeks comment on the information collection titled Records to be Kept by Employers—Fair Labor Standards Act. DOL also gave notice that it sent the collection to OMB for review. Comments are due **10/28/2019**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2019-09-27/pdf/2019-20354.pdf>. *Federal Register*, Vol. 84, No. 188, 09/27/2019, 51179. ■

Compliance Notes

▲ CFPB announced that it will establish a taskforce to examine ways to harmonize and modernize federal consumer financial laws. The Taskforce on Federal Consumer Financial Law will examine the existing legal and regulatory environment facing consumers and financial services providers and report to Director Kraninger its recommendations for ways to improve and strengthen consumer financial laws and regulations. The announcement may be viewed at: <https://www.consumerfinance.gov/about-us/newsroom/cfpb-announces-taskforce-federal-consumer-financial-law/>

▲ FRB issued a statement regarding monetary policy implementation, announcing the FRB will purchase Treasury bills at least into the second quarter of next year in order to maintain over time ample reserve balances at or above the level that prevailed in early September 2019. In addition, FRB will conduct term and overnight repurchase agreement operations at least through January of next year to ensure that the supply of reserves remains ample even during periods of sharp increases in non-reserve liabilities, and to mitigate the risk of money market pressures that could adversely affect policy implementation. The notice may be viewed at: <https://www.federalreserve.gov/newsevents/pressreleases/monetary20191011a.htm>

▲ OCC released its bank supervision operating plan for fiscal year (FY) 2020. The plan provides the foundation for policy initiatives and for supervisory strategies as applied to individual national banks, federal savings associations, federal branches, federal agencies, and technology service providers. OCC staff members use this plan to guide their supervisory priorities, planning, and resource allocations. The plan may be viewed at: <https://www.occ.gov/news-issuances/news-releases/2019/nr-occ-2019-111.html>

▲ IRS issued a reminder that taxpayers with expiring Individual Taxpayer Identification Numbers (ITINs) can get their ITINs renewed more quickly and avoid refund delays next year by submitting their renewal application soon. Any ITIN with middle digits 83, 84, 85, 86 or 87 will expire at the end of this year. In addition, any ITIN not used on a tax return in the past three years will expire. As a reminder, ITINs with middle digits 70 through 82 that expired in 2016, 2017 or 2018 can also be renewed. IRS urges anyone affected to file a complete renewal application, Form W-7, Application for IRS Individual Taxpayer Identification Number, as soon as possible. The reminder may be viewed at: <https://www.irs.gov/newsroom/2-million-itins-set-to-expire-in-2019-to-avoid-refund-delays-apply-soon>

▲ CFTC, FinCEN, and SEC issued a joint statement to remind persons engaged in activities involving digital assets of their anti-money laundering and countering the financing of terrorism (AML/CFT) obligations under the Bank Secrecy Act (BSA). AML/CFT obligations apply to entities that the BSA defines as “financial institutions,” such as futures commission merchants and introducing brokers obligated to register with the CFTC, money services businesses (MSBs) as defined by FinCEN, and broker-dealers and mutual funds obligated to register with the SEC. Among those AML/CFT obligations are the requirement to establish and implement an effective anti-money laundering program (AML Program) and recordkeeping and reporting requirements, including suspicious activity reporting (SAR) requirements. The statement may be viewed at: https://www.fincen.gov/sites/default/files/2019-10/CVC%20Joint%20Policy%20Statement_508%20FINAL_0.pdf

▲ SEC’s Office of Investor Education and Advocacy and Retail Strategy Task Force this week released new videos and Investor Alerts to help show investors what fraud looks like. Fraudsters will use every gimmick they can think of to get their hands on investors’ hard-earned money. These videos, along with our other investor education materials on Investor.gov, provide practical information that Main Street investors can use to avoid fraud and become empowered to make the best investment decisions possible for a strong financial future. The notice and the videos may be viewed at: <https://www.sec.gov/news/press-release/2019-209>



Compliance Notes

▲ IRS issued two new pieces of guidance for taxpayers who engage in transactions involving virtual currency. Expanding on guidance from 2014, the IRS is issuing additional detailed guidance to help taxpayers better understand their reporting obligations for specific transactions involving virtual currency. The new guidance includes Revenue Ruling 2019-24 and frequently asked questions (FAQs). The new revenue ruling addresses common questions by taxpayers and tax practitioners regarding the tax treatment of a cryptocurrency “hard fork”. In addition, a set of FAQs address virtual currency transactions for those who hold virtual currency as a capital asset. The announcement may be viewed at: <https://www.irs.gov/newsroom/virtual-currency-irs-issues-additional-guidance-on-tax-treatment-and-reminds-taxpayers-of-reporting-obligations>

▲ President Donald Trump issued an Executive Order on Promoting the Rule of Law Through Improved Agency Guidance Documents. The Order declares that “it is the policy of the executive branch, to the extent consistent with applicable law, to require that agencies treat guidance documents as non-binding both in law and in practice, except as incorporated into a contract, take public input into account when appropriate in formulating guidance documents, and make guidance documents readily available to the public. Agencies may impose legally binding requirements on the public only through regulations and on parties on a case-by-case basis through adjudications, and only after appropriate process, except as authorized by law or as incorporated into a contract.” The Executive Order may be viewed at: <https://www.whitehouse.gov/presidential-actions/executive-order-promoting-rule-law-improved-agency-guidance-documents/>

▲ CFPB announced the appointment of members to the Consumer Advisory Board (CAB), Community Bank Advisory Council (CBAC), Credit Union Advisory Council (CUAC), and Academic Research Council (ARC). These experts advise CFPB leadership on a broad range of consumer financial issues and emerging market trends. The announcement may be viewed at: <https://www.consumerfinance.gov/about-us/newsroom/cfpb-announces-advisory-committee-members/>

▲ OCC issued updates to the “Bank Supervision Process,” “Community Bank Supervision,” “Federal Branches and Agencies Supervision,” and “Large Bank Supervision” booklets of the Comptroller’s Handbook. Updates to Comptroller’s Handbook booklets are summarized in the “Table of Updates Since Publication” in the back of each booklet. The notice may be viewed at: <https://www.occ.gov/news-issuances/bulletins/2019/bulletin-2019-44.html>

▲ FRB issued its Semiannual Report on Banking Applications Activity: January 1–June 30, 2019. The report provides information regarding the applications filed by banking organizations and reviewed by FRB as of the most recent reporting period ending on June 30 and December 31 of each calendar year. The notice may be viewed at: <https://www.federalreserve.gov/publications/2019-september-semiannual-report-on-banking-applications-activity.htm>

▲ FHFA sent a letter to the 11 Federal Home Loan Banks instructing them that, as of December 31, 2019, they should stop purchasing investments in assets tied to LIBOR with a contractual maturity beyond December 31, 2021. As of March 31, 2020, the Federal Home Loan Banks should no longer enter into all other LIBOR-based transactions involving advances, debt, derivatives, or other products with maturities beyond December 31, 2021, with only very limited exceptions granted by FHFA. While implementing the transition away from LIBOR, FHFA will continue to examine the impact of LIBOR-based transactions on all regulated entities. The notice may be viewed at: <https://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Instructs-FHLBanks-to-Begin-Transitioning-Away-from-LIBOR.aspx>

▲ FDIC issued the September 2019 issue of FDIC Consumer News, featuring an article on whether funds on a prepaid card are FDIC-insured. The issue may be viewed at: <https://www.fdic.gov/consumers/consumer/news/september2019.pdf>

▲ CFPB has published its Filing Instructions Guide (FIG) for data collected in 2020 and a new resource, the Supplemental Guide for Quarterly Filers. Both may be viewed at: <https://ffiec.cfpb.gov/>

▲ FDIC’s Office of the Ombudsman published its 2018 Annual Report outlining the office’s structure, outreach activities, and goals. In 2018, the Ombudsman Office handled 142 industry cases, many of which were able to be resolved by providing information and assistance for bank-specific questions or issues. The office also conducted outreach visits to nearly 500 external stakeholders, including banks, trade associations, and state banking authorities. The full report may be viewed at: <https://www.fdic.gov/regulations/resources/ombudsman/annualreport/2018-oo-annual-report.pdf>

▲ FRB announced a pause in their previously announced plans for a three-phased migration to the ISO 20022 messaging standard for the Fedwire Funds Service. As a result, Phase 1 will not be implemented in November 2020. The Federal Reserve Banks will provide an update regarding their implementation plans once the assessment is complete. The notice may be viewed at: <https://www.frbsservices.org/news/press-releases/092319-fedwire-funds-migration-iso20022-messages.html>



Compliance Notes

▲ CFPB announced that it will continue the publication of consumer complaints, data fields and narrative descriptions through CFPB's Consumer Complaint Database while making several enhancements to the information available to users of the database. The enhancements include: modified disclaimers to provide better context to the published data; integrating financial information and resources into the complaint process to help address questions and better inform consumers before they submit a complaint; and information to assist consumers who wish to contact the financial company to get answers to their specific questions. Additionally, CFPB will work to provide enhanced features for the database that include dynamic visualization tools on recent complaint data. The announcement may be viewed at: <https://www.consumerfinance.gov/about-us/newsroom/bureau-enhance-consumer-complaint-database/> ■



Conferences | Summits

Schools | Boot Camps

Seminars | Workshops

WBA Webinars

Other Events

NOVEMBER 2019

- **Auditing Real Estate Loans Boot Camp**
5-7 Wisconsin Dells – \$795/attendee
- **Principles of Banking Course**
4-5 Green Bay - \$550/attendee
6-7 Madison - \$550/attendee
- **BOLT Winter Leadership Summit**
7 Stevens Point – \$100/attendee
- **ABA National Agricultural Bankers Conference**
10-13 Dallas, Texas
- **LEAD360 Conference: Marketing, Retail Banking, Sales and Financial Literacy**
20-21 Wisconsin Dells - \$350/first attendee; \$300/each additional attendee
- **Compliance Forum: Session 2**
19 Stevens Point - Pricing Options Vary
20 Wisconsin Dells - Pricing Options Vary
21 Pewaukee - Pricing Options Vary

DECEMBER 2019

- **Enterprise Risk Management Peer Group**
11 Madison - \$39/attendee

JANUARY 2020

- **Wisconsin Economic Forecast Luncheon**
9 Madison - \$400/Table of 8; \$75/individual
10 Eau Claire - \$350/Table of 8; \$50/individual
- **Community Bankers for Compliance - Session 1**
28 Stevens Point - Pricing Options Vary
29 Madison - Pricing Options Vary

FEBRUARY 2020

- **Bank Executives Conference**
3 - 5 Wisconsin Dells - \$495/each first two bank attendees; \$450/each additional attendee
- **Residential Mortgage Lending School**
17-20 Madison - \$1,045/attendee
- **Compliance Forum: Session 3**
18 Stevens Point - Pricing Options Vary
19 Wisconsin Dells - Pricing Options Vary
20 Pewaukee - Pricing Options Vary
- **Commercial Lending School**
24-28 Madison - \$1395/attendee

MARCH 2020

- **Credit Analysis Boot Camp**
5-6 Madison - \$495/attendee
19-20 Green Bay - \$495/attendee
- **Loan Compliance School**
9-13 Madison - \$1,295/attendee
- **Real Estate Compliance School**
11-13 Madison - \$795/attendee
- **Advanced IRA Workshops**
17 Wausau - \$245/attendee
18 Madison - \$245/attendee
- **Security Officer Workshops**
24 Neenah - \$175/attendee
25 Eau Claire - \$175/attendee
26 Wisconsin Dells - \$175/attendee
- **Call Report Workshop**
24 Madison - \$245/attendee
- **ABA Government Relations Summit**
22-25 Washington, DC - Complimentary

APRIL 2020

- **Human Resources Conference**
7 Wisconsin Dells - \$225/attendee
- **Health Savings Account (HSA) Workshop**
8 Madison - \$245/attendee
- **Agricultural Bankers Conference**
15-16 Wisconsin Dells - \$350/attendee;
\$300/Ag Section Member
- **Power of Community Week**
20-24 www.wisbank.com/BanksPowerWI
- **Women in Banking Conference**
21 Wisconsin Dells - \$245/each first two bank attendees; \$195/each additional attendee
- **Community Bankers for Compliance - Session 2**
28 Stevens Point - Pricing Options Vary
29 Madison - Pricing Options Vary
- **Cash Management Workshop**
29 Madison - \$245/attendee
- **Enterprise Risk Management Workshop**
30 Madison - \$245/attendee
- **Principles of Banking Course**
TBD Locations TBD - \$550/attendee

Conferences | Summits

Schools | Boot Camps

Seminars | Workshops

WBA Webinars

Other Events

MAY 2020

- **American Mortgage Conference**
4 - 6 Charleston, SC
- **Lending Boot Camp**
4 - 6 Madison - \$535/attendee (2-day); \$795/attendee (3-day)
- **Compliance Management School**
5 - 7 Madison - \$795/attendee
- **FIPCO Compliance & Software Forum: Deposit**
7 Madison
- **School of Bank Management**
11-15 Madison - \$1,395/attendee
- **BSA/AML Compliance Conference**
20-21 Wisconsin Dells - \$449/attendee

JUNE 2020

- **BOLT Summer Leadership Summit**
11-12 Wisconsin Dells - \$150/attendee
- **Compliance Forum: Session 1**
TBD Locations TBD - Pricing Options Vary

JULY 2020

- **Agricultural Lending School**
22-24 Madison - \$895/attendee
- **Community Bankers for Compliance - Session 3**
28 Stevens Point - Pricing Options Vary
29 Madison - Pricing Options Vary

AUGUST 2020

- **Chairman's Member Appreciation Golf Outing**
13 Wisconsin Dells

SEPTEMBER 2020

- **Introduction to Commercial Lending School**
9 - 11 Madison - \$795/attendee
- **Management Conference**
15 - 16 Green Bay - \$250/each attendee for first two attendees; \$200/each additional attendee
- **Secur-I.T. Conference**
TBD Wisconsin Dells - \$350/first attendee; \$300/each additional attendee

OCTOBER 2020

- **BSA/AML Workshops**
6 Eau Claire - \$245/attendee
7 Neenah - \$245/attendee
8 Madison - \$245/attendee
- **Personal Banker School**
13-14 Madison - \$450/attendee
- **Advanced Financial Statement & Cash Flow Analysis Workshop**
15 Madison - \$450/attendee
- **Advanced Tax Return Analysis Workshop**
16 Madison - \$245/attendee
- **Community Bankers for Compliance - Session 4**
20 Stevens Point (*pricing options vary*)
21 Madison (*pricing options vary*)
- **Principles of Banking Course**
TBD Location TBD - \$550/attendee

NOVEMBER 2020

- **Deposit Compliance School**
2 - 3 Madison - \$535/attendee
- **BOLT Winter Leadership Summit**
TBD Location TBD - \$100/attendee
- **FIPCO Compliance & Software Forum: Loan & Mortgage**
18-19 Wisconsin Dells