

Compliance Journal

Special Focus

The COVID-19 pandemic has brought about significant disruption in all areas, including bank operations. WBA has created and collected the below resources on bank compliance in this unprecedented time. At the time of publication, all items are accurate but due to the constantly changing nature of the pandemic, these items may become outdated. Rest assured, WBA will continue to update its members on any regulatory changes as a result of the COVID-19 pandemic. The latest information can be found online at [wisbank.com/coronavirus](https://www.wisbank.com/coronavirus).

Federal and State COVID-19 Related Guidance

Over the past three weeks, federal and state banking agencies have issued several items concerning the coronavirus (COVID-19) and its impact on financial institutions and their customers. This article is meant to help provide a timeline of some of the issuances and short briefing of the topics covered. The following is not an exhaustive list as the agencies continue to release new guidance and resources even after this publication is released.

Federal Agency Statements to Work with Customers

In early March, the federal banking agencies issued a statement encouraging financial institutions to meet the financial needs of their customers affected by COVID-19. The agencies stated recognition that financial institutions may face staffing and operational challenges and noted that financial institutions should work constructively with borrowers and other customers in affected communities. The release may be viewed at: <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20200309a.htm>.

FDIC, FRB, and OCC next released individual statements to provide more specific examples of what financial institutions could consider when working with their affected customers and communities. Examples provided by the agencies include waiving certain fees, such as: (a) ATM fees for customer and non-customers; (b) overdraft charges; (c) late payment fees on credit cards and other loans; and (d) early withdrawal penalties on time deposits.

Other efforts identified by the agencies include: (a) increasing ATM daily cash withdrawal limits; (b) easing restrictions on cashing out-of-state and non-customer checks; (c) increasing credit card limits for creditworthy borrowers; (d) offering payment accommodations, such as allowing borrowers to defer or skip some payments or extend the payment due date, which would avoid delinquencies and negative credit bureau reporting; and (e) working with consumers who are temporarily unable to work due to temporary business closures, slowdowns, or sickness.

All three agencies recognize financial institutions may need to offer loan modifications to those who are experiencing temporary hardships as a result of COVID-19 related issues. Each agency has stated that modifications should be based upon the facts and circumstances of each borrower and loan. The agencies have also stated that all will be flexible in working with banks who are implementing prudent loan workout arrangements with affected borrowers.

The three agencies have also stated each are willing to assist institutions that are having difficulty meeting reporting responsibilities. The agencies have instructed institutions to work closely with their regional regulatory office. Financial institutions should review their federal regulator's statement for more specific instruction. FDIC's FIL-17-2020 may be viewed at: <https://www.fdic.gov/news/news/financial/2020/fil20017.html>. FRB's SR 20-4 and CA 20-3 may be viewed at: <https://www.federalreserve.gov/supervisionreg/srletters/SR2004.htm>. OCC's Bulletin 2020-15 may be viewed at: <https://www.occ.gov/news-issuances/bulletins/2020/bulletin-2020-15.html>.



Loan Modifications

On March 22, 2019, FRB, FDIC, OCC, CFPB, NCUA, and CSBS jointly issued an Interagency Statement on Loan Modifications and Reporting for Financial Institutions with Customers Affected by the Coronavirus. In the guidance, the agencies stated they will not criticize institutions for working with borrowers and will not direct supervised institutions to automatically categorize all COVID-19 related loan modifications as troubled debt restructurings (TDRs). The agencies also provided instruction regarding accounting for loan modifications. The instruction includes confirmation from FASB that short-term modifications made on a good faith basis in response to COVID-19 to borrowers who are current prior to any relief, are not TDRs. This includes short-term (e.g., six months) modifications such as payment deferrals, fee waivers, extensions of repayment terms, or other delays in payment that are insignificant. The guidance also states that financial institutions are not expected to designate loans with deferrals granted due to COVID-19 as past due because of the deferral. The interagency statement may be viewed at: <https://www.fdic.gov/news/news/press/2020/pr20038a.pdf>.

FinCEN Guidance

In mid-March, FinCEN issued a notice requesting financial institutions affected by COVID-19 to contact FinCEN and their functional regulator as soon as practicable if the institution has concern about any potential delays in its ability to file required BSA reports. Institutions should contact FinCEN's Regulatory Support Section 1-800-949-2732 and selection option 6 or email at FinCEN at: FRC@fincen.gov. FinCEN has also advised institutions to remain alert about malicious or fraudulent transactions similar to those that occurred in the wake of natural disasters, including: imposter scams, investment scams, product scams, and COVID-19-related insider trading.

For SARs linked to COVID-19, along with checking the appropriate SAR-template box(es) for certain typologies, FinCEN also encourages banks to enter "COVID19" in Field 2 of the SAR-template. The statement may be viewed at: www.fincen.gov/news/news-releases/financial-crimes-enforcement-network-fincen-encourages-financial-institutions.

Federal Agencies Recommend Use of Capital; Propose Change to Definition of "Eligible Retained Income" Under Capital Rules

Also in mid-March, FDIC, FRB, and OCC issued a notice encouraging financial institutions to use their capital and liquidity buffers as they respond to the challenges presented by the effects of COVID-19. The agencies stated the higher capital and liquidity buffers imposed over the past several years were designed to provide financial institutions with the means to support the economy in adverse situations and allow the institutions to continue to serve households and businesses. The federal agencies also stated support of banking organizations that choose to use their capital and liquidity buffers to lend and undertake other supportive actions in a safe and sound manner. The statement may be viewed at: <https://www.fdic.gov/news/news/press/2020/pr20030.html>.

On the same day as the above notice was issued, the agencies also released an interim final rule which will change the current bank capital rules. In light of recent disruptions in economic conditions caused by COVID-19 and current strains in U.S. financial markets, the agencies issued the interim final rule to revise the definition of "eligible retained income" for all depository institutions, bank holding companies, and savings and loan holding companies subject to the agencies' capital rule. The revised definition of eligible retained income will make any automatic limitations on capital distributions that could apply under the agencies' capital rules more gradual. The interim final rule will be effective upon publication of the interim rule in the Federal Register. The interim final rule is effective March 20, 2020. Comments are due May 4, 2020. The interim final rule may be viewed at: <https://www.fdic.gov/news/news/press/2020/pr20030.html>.

March 2020
Volume 25, Number 10

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Subscription Rate:

\$195/year for
non-members. For
subscription orders and
inquiries, please contact
the Wisconsin Bankers
Association at the above
address, by phone at
608/441-1200 or e-mail at
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FDIC FAQs for Banker and Consumers

On March 18th, FDIC issued two sets of frequently asked questions (FAQs). One series is aimed to help answer COVID-19 related questions of consumers; the second series of questions are topics related to bank operations and filings. Both FAQs may be found at: <https://www.fdic.gov/coronavirus/index.html>.

State Agency Statement and Issuances

Wisconsin's DFI has also issued a statement as a result of COVID-19. On March 18th, in connection with Governor Evers's declaration of a health emergency, DFI issued a letter to support and reinforce the FFIEC Pandemic Preparedness Guidance issued March 6, 2020. DFI also stated it recognizes the potential impact of COVID-19 on bank customers and operations. DFI stated it will work with affected financial institutions to provide appropriate regulatory assistance as needed. DFI also instructed banks to inform their DFI Division of Banking supervisor, or call (608) 261-7578, if any changes are made to public access at a financial institution due to COVID-19 concerns.

On March 17, 2020, Wisconsin's DHS issued Emergency Order #5 to prohibit mass gatherings of 10 people or more to slow the spread of COVID-19. An exemption to the order is an office space so long as social distancing is in place. DFI issued a letter to bank executives dated March 18, 2020, stating banks are exempt from the DHS emergency order: https://www.wdfi.org/_resources/indexed/site/fi/banks/20200318_COVID-19_BankLetter_DFI-BankAdministrator_vFINAL.pdf.

Under Wisconsin law, licensed mortgage loan originators can only work from certain locations. To assist with virus mitigation efforts, DFI has issued a directive concerning licensed mortgage loan originators in response to COVID-19. DFI stated in its directive that licensed mortgage loan originators may work from home, whether located in Wisconsin or another state, even if the home is not a licensed or registered office or branch office of the sponsoring mortgage banker, mortgage broker, or registered entity. This action may be permissible if certain criteria are met as outlined on DFI's mortgage banking website: <http://www.wdfi.org/fi/mortbank/default.htm>.

On March 24, 2020, Governor Evers, through his designee, DHS Secretary Andrea Palm issued Emergency Order #12, "Safer at Home" which became effective at 8 a.m. on Wed, March 25 and ends at 8 a.m. Friday, April 24 (unless superseded sooner). The banking industry is exempt from the order since it is deemed an essential business. This is accomplished in two ways under the order. First, it is a reference to the US. Department of Homeland Security's Cybersecurity and Infrastructure Security Agency (CISA) guidance as to the 16 categories of "Essential Critical Infrastructure Workers during the COVID-19 Response." Second, banks are also separately and specifically identified in Section 13(1) of the most recently issued order. The order may be viewed at: <https://evers.wi.gov/Documents/COVID19/EMO12-SaferAtHome.pdf>.

Conclusion

Both federal and state banking agencies have issued guidance related to COVID-19 and its impact on financial institutions and their customers. WBA has created a COVID-19 Resources webpage to keep updated, relevant COVID-19 information in a centralized and organized place. The resource page may be viewed at: <https://www.wisbank.com/resources/coronavirus-covid-19/>.

Wisconsin Department of Financial Institution's Emergency Guidance on Remote Notarization

On March 18, 2020 the Wisconsin Department of Financial Institutions (DFI) issued emergency guidance on remote notarization (guidance). Individuals who need documents notarized remotely may use a DFI-approved remote online notarization provider.

Summary

Generally speaking, a person seeking notarization must "appear" before a notary public and in the "presence" of witnesses. As of publication of this article, DFI has issued guidance that, until further notice, it will construe the terms "appear" and "presence" to include appearances by remote live audio and video connection.



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If a bank is seeking to meet “appearance” or “presence” requirements remotely, it is important to understand that any legal requirements governing the validity of a document must still be observed. The only difference is participation in those requirements can be accomplished remotely. For example, if a customer is unable to sign a mortgage in person, they might request to close remotely. In that situation, a bank seeking an acknowledgement of the mortgage (and other closing documents) might consider remote notarization as an option. Specifically, acknowledgement of a mortgage requires the party’s “appearance” in the “presence” of the notarial officer. Those requirements could be met remotely while the guidance remains in effect. Thus, institutions must consider the requirements they are seeking to meet remotely and how they fit within the scope of DFI’s guidance. When considering remote notarization, a bank should also confirm with its title company to ensure the process has been approved for insurance purposes.

Remote Notarization Requirements

DFI has provided a list of DFI-approved remote online notarization providers. Once a bank has determined that it wishes to meet notarization requirements remotely, the next steps can be as simple as reaching out to an approved vendor. DFI has indicated that individuals who need to notarize a document remotely can use [Notarize.com](https://www.notarize.com) and NotaryCam. Title companies and others performing real-estate transactions can also use Pavaso or Nexys, which provide remote online notarization platforms for real-estate transactions. DocVerify also offers remote notarization services for businesses and others. A Wisconsin notary seeking to perform remote online notarizations must get trained on the standards for remote online notarization through one of these appointed technology providers, and use their software platforms to perform online notarial acts.

Banks should again consider the types of documents being notarized and whether its remote notary provider is able to meet those requirements. DFI has acknowledged that the vendors listed above are experienced providers, regulated under standards for remote online notarization that meet or exceed the safeguards set by Wisconsin law. They will also approve providers who meet those standards as well.

Legal and Procedural Considerations

On March 3, 2020 the Governor signed 2019 Wisconsin Act 125 into law (Act 125), which authorizes online notarial acts. Act 125 adopts the Uniform Law Commission’s Revised Uniform Law on Notarial Acts which allows for remote notarization of documents where a person does not appear in person before a notary public.

Act 125 includes the following provisions related to remote notarization:

- Authorizes a notary public located in the state to perform a notarial act using communication technology¹ for a remotely located individual if:
 - The notary public has:
 - personal knowledge of the identity of the individual,
 - satisfactory evidence of the identity of the remotely located individual by oath or affirmation from a credible witness appearing before the notary public, or
 - obtained satisfactory evidence of the identity of the remotely located individual by using at least 2 different types of identity proofing.
 - The notary public is able reasonably to confirm that a record before the notary public is the same record in which the remotely located individual made a statement or on which the individual executed a signature.
 - The notary public, or a person acting on behalf of the notary public, creates an audio-visual recording of the performance of the notarial act.
 - For a remotely located individual located outside the United States, all of the following must be satisfied:
 - The record is to be filed with or relates to a matter before a public official or court, governmental entity, or other entity subject to the jurisdiction of the United States. Or, the record involves property located in the territorial jurisdiction of the United States or involves a transaction substantially connected with the United States.
 - The act of making the statement or signing the record is not prohibited by the foreign state in which the remotely located individual is located.

¹ “Communication technology” means an electronic device or process that satisfies all of the following: 1. The device or process allows a notary public and a remotely located individual to communicate with each other simultaneously by sight and sound. 2. When necessary and consistent with other applicable law, the device or process facilitates communication with a remotely located individual who has a vision, hearing, or speech impairment.



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- Provides that the authority to remotely notarize a document does not apply to a transaction that is governed by a law related to any of the following:
 - Wills, codicils, or testamentary trusts.
 - Living trusts or trust amendments for personal use.
 - Powers of attorney.
 - Marital property agreements.
 - Powers of attorney for health care, declarations to physicians (living wills), and authorizations for use and disclosure of protected health care information.
- Creates a remote notary council that is attached to DFI and is required to adopt standards to implement the provisions of the Act related to remote notarization. Membership of the remote notary council is comprised of the DFI secretary or the secretary's designee and one member representing each of the following for three-year terms:
 - An association of title insurance companies.
 - Attorneys who practice real estate law.
 - An association of bankers.
 - Providers of communication technology used to perform a notarial act involving a remotely located individual.

Act 125 also requires DFI to do the following:

- Maintain an electronic database of notaries public for which:
 - A person may verify the authority of a notary public to perform notarial acts, and
 - Indicates whether a notary public has informed DFI that the notary public will be performing notarial acts for remotely located individuals.
- Promulgate rules that do all of the following:
 - Establish maximum fees that may be charged by a notary public for performing a notarial act for a remotely located individual.
 - Prescribe the manner of performing notarial acts regarding tangible and electronic records.
 - Include provisions to ensure that any change to or tampering with a record bearing a certificate of a notarial act is self-evident.
 - Include provisions to ensure integrity in the creation, transmittal, storage, or authentication of electronic records or signatures.
 - Prescribe the process of granting, renewing, conditioning, denying, suspending, or revoking a notary public commission and assuring the trustworthiness of an individual holding a commission as a notary public.
 - Include provisions to prevent fraud or mistake in the performance of notarial acts.
- In promulgating the rules described above, consider all of the following:
 - The most recent standards regarding electronic records promulgated by national bodies, such as the National Association of Secretaries of State;
 - The standards, practices, and customs of other jurisdictions that substantially enact the RULONA 2018 or any subsequent version of it; and
 - The views of governmental officials, entities, and other interested persons.
- Promulgate the rules listed above as emergency rules without making the findings generally required for emergency rulemaking. DFI is also not required to prepare a scope statement of the emergency rules or present the emergency rules to the governor for approval.
- Authorizes DFI to investigate violations of state law related to notarial acts and revoke, suspend, or restrict any notarial commission or registration if the person holding the commission or registration has refused to comply with an investigation demand for production of any record that DFI considers relevant or material to the investigation. DFI is also authorized to revoke, suspend, or restrict any notarial commission or registration if the person holding the commission or registration has violated, is violating, or is able to violate state law related to notarial acts.



Conclusion

While Act 125 provides standards for remote notarization, it requires implementation by rulemaking by DFI. DFI's emergency guidance on remote notarization permits operation under the standards while the guidance remains in effect.

DFI's emergency guidance can be found here: http://wdfi.org/Apostilles_Notary_Public_and_Trademarks/pdf/Emergency%20Guidance%20-%20Remote%20Notarization.pdf

Additional information from DFI can be found here: https://www.wdfi.org/Apostilles_Notary_Public_and_Trademarks/pdf/Remote%20notarization%20-%20webpage%20announcement.pdf

2019 Wisconsin Act 125 can be found here: <https://docs.legis.wisconsin.gov/2019/related/acts/125.pdf> ■

FHLB and e-Notary Compliance

Although both the Wisconsin Department of Financial Institutions (“DFI”) and the Federal Home Loan Bank of Chicago have been developing eNotary and eNote pledging capability, DFI's emergency action is more helpful in the short term.

DFI issued an emergency guidance authorizing the use of remote online notarization in Wisconsin. DFI approved the use of four online notarization providers. For the notarization of any type of document, DFI has approved the use of [Notarize.com](https://www.notarize.com) and NotaryCam. For real estate transactions, title companies and others performing real estate transaction the use of PavaSo and Nexsys have also been authorized.

Before notaries can perform remote online notarizations, they must complete training from a DFI-approved remote online notarization provider. Then, notaries must use that software platform to perform the remote online notarial acts. Currently, [Notarize.com](https://www.notarize.com) and PavaSo are offering online training opportunities for Wisconsin notaries. Once a notary has completed the approved training provided by a specific provider, the notary is authorized to begin performing remote online notarizations using the provider's platform.

After a notary completes the training and is ready to begin performing remote online notarizations, the provider will notify DFI and DFI will create a list of all Wisconsin notaries authorized to perform remote online notarizations and the platform they are using.

It should be noted that individuals still must comply with the legal requirements for a document that requires notarization. For example, if a document requires additional witnesses to be present at the time of notarization, those additional witnesses must still be present. For land transactions, DFI also cautions that notaries should check with their title companies to ensure that their remote notary provider is approved for insurance purposes.

Additionally, in February 2020, Federal Home Loan Banks (“FHLB”) announced that they will begin accepting eNotes as collateral sometime in 2020 and that it has created a policy, entitled “Electronic Promissory Notes (eNotes) Model Collateral Acceptance Requirements and Guidelines,” which set out the core requirements for acceptance of eNotes as collateral. To begin, FHLB will only be accepting 1-4 family mortgage loans and closed end term 2nd mortgage loans as eligible eNotes. FHLB will accept eNotes that are created, signed, and stored according to the standards for transferrable records under the Electronic Signatures and Global National Commerce Act.

Before a financial institution can pledge eNotes as collateral to FHLB, the financial institution must execute an addendum to its existing FHLB agreement. To prepare for FHLB's acceptance of eNotes, financial institutions should review FHLB's eNote Requirements and Guidelines Policy, which is available on its website, to ensure that their processes and systems follow FHLB requirements. Financial Institutions should ensure that their eClosing systems meet the requirements established by the FHLB. The eClosing system should allow the eNote to be signed with a tamper evidence signature to verify the integrity of the electronic record. Further, the eClosing system must designate an eNote as the single authoritative copy. Additionally, eClosing system must create a reliable and trustworthy audit trail of the critical events at closing. Finally, the eClosing system's encryption algorithms must be compliant with National Institute of Standards and Technology and FIPS 140-2 guidance.

If a financial institution is not a member of MERS, it will want to become a member of MERS and sign the eRegistry Addendum. Similarly, if the financial institution is already a member of MERS, it will want to ensure that it has signed the eRegistry Addendum.



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Additionally, the financial institution should acknowledge FHLB as a secured party in its MERS profile.

Finally, FHLB has reviewed the basic security of many eVault vendor systems. Financial institutions should ensure that their eVaults are compliant with FHLB's requirements and ensure that the eVault undergoes FHLB's review and due diligence process. Financial institutions should also ensure that its eVault provider can connect with the FHLB's eVault and MERS eRegistry. Once approved, the financial institution must store the authoritative copy of the eNote in its eVault until it is pledged and transferred to FHLB's eVault. Financial institutions can review Fannie Mae and Freddie Mac's vendor lists for potential eClosing and eVault providers.

While pledging of eNotes is not currently available, your financial institution can take steps now to be ready when it does become available. We have contacted the Chicago FHLB for the anticipated start date and will let you know when eNote pledging will be available.

WBA wishes to thank Atty. Athena Skaleris, Boardman & Clark, llp for providing this article. ■

MPF Program Policy and Fannie Mae Guidance

During the week of March 16, 2020, both the MPF Program and Fannie Mae announced new policies that allows Servicers to better assist borrowers who have been impacted by COVID-19. Under the MPF Program Policy and the Fannie Mae guidance in Lender Letter LL-2020-02, Servicers are instructed to evaluate borrowers for a forbearance plan in accordance with Chapter 8.7 of the MPF Tradition Service Guide or Fannie Mae's *Servicing Guide* D2-3.2-01, respectively, if the borrowers have experienced hardship as a result of COVID-19 and that hardship has impacted their ability to pay their monthly mortgage payments. The MPF Program Policy and the Fannie Mae Lender Letter state that hardship resulting from COVID-19 includes unemployment, reduction in regular work hours, or illness of the borrower, co-borrower, or a dependent. Before offering a forbearance plan, the Servicer must achieve quality right party right contact (QRPC) with the borrower. **Most importantly, neither the MPF Program nor Fannie Mae require Servicers to verify or obtain documentation of the borrower's hardship.** The MPF Program Policy clarifies that Servicers may not offer relief timeframes that are greater than those provided for in MPF Guides without first receiving prior approval from the MPF Provider. The Fannie Mae Lender Letter advised that when determining the eligibility for a forbearance plan, the property securing the mortgage loan may be a principal residence, a second home, or any investment property.

In evaluating a borrower after the borrower has received a forbearance plan due to COVID-19, both the MPF Program Policy and the Fannie Mae Lender Letter establish that Servicers must begin attempts to contact the borrower no later than 30 days prior to the expiration of the forbearance plan term. Servicers are expected to do this until either QRPC is achieved or the forbearance plan term has expired. In reaching out, Servicers are expected to determine the appropriate workout alternative that best fits the borrower's circumstance and determine whether a loan modification is appropriate. Fannie Mae's Lender Letter provided a table that gives Servicers the requirements under which they should carefully evaluate each case before determining which mortgage loan modification is most appropriate for the borrower. For more details, Servicers can access LL-2020-02 on Fannie Mae's website.

During an active forbearance plan, repayment plan, or Trial Period Plan where the borrower is making the required payments as agreed, even though payments are past due, MPF and Fannie Mae instruct Servicers to suspend reporting the status of a mortgage loan to credit bureaus as long as the borrower's delinquency is due to hardship caused from COVID-19.

The MPF Program Policy and the Fannie Mae Lender Letter also instructed Servicers to suspend all foreclosure sales and evictions for the next 60 days except in situations where the property has been deemed vacant or abandoned. Under the MPF Program Policy, Servicers were further directed to consider waiving late fees for 90 days and provide guidance to borrowers explaining available relief provisions and/or loss mitigation alternatives.

The MPF Program Policy instructed Servicers and PFIs to rely on applicable MPF Guide sections on the delivery and servicing of mortgage loans affected by major disasters included in MPF Selling/Servicing Guides and are encouraged to contact MPF Service Center with questions about applying the provisions to COVID-19 affected borrowers. Fannie Mae's Lender Letter encouraged Servicers to refer borrowers impacted by COVID-19 to its Disaster Response Network at 1-877-542-9723.



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The MPF Program Policy and the Fannie Mae Lender Letter are effective immediately and will remain in effect until further notice.

MPF's Announcement also stated that MPF Government loans and MPF Government MBS loans must follow the disaster relief policies issued by the applicable Government Agencies and MPF Xtra loans must follow the disaster relief policies issued by Fannie Mae.

The U.S. Department of Agriculture (USDA) Rural Development Division has announced relief measures for Section 502 Single Family Housing Guaranteed Loan Program (SFHGLP) borrowers affected by COVID-19. With this, USDA Rural Development has encouraged loan servicers to extend forbearance alternatives to borrowers affected by COVID-19. Further, USDA Rural Development has instructed all loan holders to suspend all foreclosure activity until April 30, 2020. This suspension applies to the initiation of new foreclosure actions and to foreclosures already in process. USDA Rural Development has advised loan servicers to fully document their decisions when loss mitigation services are provided.

Similarly, HUD has instituted a 60-day moratorium on foreclosures and evictions for all properties secured by FHA-insured Single Family mortgages. HUD explained that the moratorium applies to the initiation of foreclosures as well as to the completion of foreclosures already in process. Further, HUD extended by 60 days the deadlines of the first legal action and reasonable diligence timelines.

WBA wishes to thank Atty. Athena Skaleris, Boardman & Clark, LLP for providing this article. ■

Regulatory Spotlight

Agencies Issue Pandemic Related Guidance.

- The Federal Financial Institutions Examination Council (FFIEC), on behalf of its members, has issued guidance to remind financial institutions that business continuity plans should address the threat of a pandemic outbreak and its potential impact on the delivery of critical financial services. The guidance is an update to the 2007 Interagency Statement on Pandemic Planning as well as the Interagency Advisory on Influenza Pandemic Preparedness issued **03/15/2006** by the Board of Governors of the Federal Reserve System (FRB), Federal Deposit Insurance Corporation (FDIC), Office of the Comptroller of the Currency (OCC), and the Office of Thrift Supervision (OTS). The latest guidance identifies actions that financial institutions should take to minimize the potential adverse effect of a pandemic. The guidance may be viewed at: <https://www.fdic.gov/news/news/financial/2020/fi20014.html>.
- The Board of Governors of the Federal Reserve System (FRB), Consumer Financial Protection Bureau (CFPB), Federal Deposit Insurance Corporation (FDIC), National Credit Union Administration (NCUA), Office of the Comptroller of the Currency (OCC), and Conference of State Bank Supervisors (CSBS) have issued guidance to encourage financial institutions to meet the financial needs of customers and members affected by the coronavirus. The agencies recognize the potential impact of the coronavirus on customers, members, and operations of many financial institutions and will provide appropriate regulatory assistance to affected institutions subject to their supervision. The agencies noted that financial institutions should work constructively with borrowers and other customers in affected communities. Prudent efforts that are consistent with safe and sound lending practices should not be subject to examiner criticism. The agencies further state understanding that many financial institutions may face current staffing and other challenges. In cases in which operational challenges persist, the agencies will expedite, as appropriate, any request to provide more convenient availability of services in affected communities. The agencies also will work with affected financial institutions in scheduling examinations or inspections to minimize disruption and burden. The guidance may be viewed at: <https://www.fdic.gov/news/news/press/2020/pr20025.html>.

Agencies Issue Final Rules to Adjust CMPs for Inflation.

- The Department of Housing and Urban Development (HUD) has issued a final rule to provide for 2020 inflation adjustments of civil monetary penalty (CMP) amounts required by the Federal Civil Penalties Inflation Adjustment Act, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act. Please see the final rule for the adjusted amounts. The final rule is effective **04/06/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-06/pdf/2020-04146.pdf>. *Federal Register*, Vol. 85, No. 45, 03/06/2020, 13041-13045.
- The Financial Crimes Enforcement Network (FinCEN) has issued a final rule to reflect inflation adjustments to its civil monetary penalties (CMPs) as mandated by the Federal Civil Penalties Inflation Adjustment Act, as amended by the Federal Civil Penalties



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Inflation Adjustment Act Improvements Act. The final rule adjusts certain CMPs within the jurisdiction of FinCEN to the maximum amount required by the Acts. Please see the final rule for the adjusted amounts. The final rule is effective **02/19/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-19/pdf/2020-02526.pdf>. *Federal Register*, Vol. 85, No. 33, 02/19/2020, 9370-9371.

- The Department of the Treasury (Treasury) has issued a final rule to adjust its civil monetary penalties (CMPs) for inflation as mandated by the Federal Civil Penalties Inflation Adjustment Act, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act. The final rule adjusts CMPs within the jurisdiction of two components of Treasury to the maximum amount required by the Acts. Please see the final rule for the adjusted amounts. The adjustments are effective **02/21/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-21/pdf/2020-02712.pdf>. *Federal Register*, Vol. 85, No. 35, 02/21/2020, 10063-10064.
- The Small Business Administration (SBA) has issued a final rule to amend its regulations to adjust for inflation the amount of certain civil monetary penalties (CMPs) that are within the jurisdiction of SBA. The adjustments comply with the requirement in the Federal Civil Penalties Inflation Adjustment Act, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act, to make annual adjustments to the penalties. Please see the final rule for the adjusted amounts. The final rule is effective **03/10/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-10/pdf/2020-04278.pdf>. *Federal Register*, Vol. 85, No. 47, 03/10/2020, 13725-13727.

Agencies Issue Correction to Capital Rule.

The Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (FRB), and Federal Deposit Insurance Corporation (FDIC) have issued a correction to regulatory capital rules. In rule document 2019–23472 beginning on page 61776 in the issue of **11/13/2019** *Federal Register*, make the following correction: § 6.4 [Corrected] 1. On page 61794, in § 6.4, in the second column, beginning on the 21st line, amendatory instruction 13 should read: 13. Section 6.4 is amended by: (1) revising the section heading; (2) revising paragraph (a); (3) removing paragraph (b); (4) redesignating paragraph (c) as paragraph (b); (5) revising newly designated paragraph (b) introductory text and paragraph (b)(1); and (6) redesignating paragraphs (d) and (e) as paragraphs (c) and (d), respectively. The correction may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-26/pdf/C1-2019-23472.pdf>. *Federal Register*, Vol. 85, No. 38, 02/26/2020, 10968.

Agencies Issue New Systems of Records.

- The Bureau of Consumer Financial Protection (CFPB) has issued a notice to announce the establishment of a Privacy Act System of Records. CFPB will maintain the records covered by the notice. CFPB.028—Federal Document Management System will collect information to enable CFPB to electronically access and manage its rulemaking dockets, or other dockets, related to documents published in the *Federal Register* requesting comment, including comments or supporting materials and allows the public to find and review such materials on [Regulations.gov](https://www.regulations.gov). Comments are due **03/30/2020**. The new system of records is effective **02/28/2020**, with the exception of the routine uses. The routine uses will not be effective until **03/30/2020**, pending comment. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-28/pdf/2020-02629.pdf>. *Federal Register*, Vol. 85, No. 40, 02/28/2020, 11974-11976.
- The Social Security Administration (SSA) has announced its new guidance document portal established under Executive Order (EO) 13891 and the Office of Management and Budget's (OMB) memorandum, M-20-02, Guidance Implementing Executive Order (EO) 13891. On 10/09/2019, the President of the United States issued EO 13891. EO 13891 states 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. In order to make guidance documents readily available to the public, EO 13891 requires that each agency or agency component, as appropriate, establish or maintain on its website a single, searchable, indexed portal that contains or links to all guidance documents in effect from such agency or component. It also requires that the guidance document portal include a statement informing the public that guidance documents lack the force and effect of law, except as authorized by law or as incorporated into a contract. Each agency or agency component, as appropriate, must establish its guidance document portal by **02/28/2020**. SSA has announced its new guidance document portal, which is available at: www.socialsecurity.gov/. The portal is accessible **02/28/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-02/pdf/2020-04177.pdf>. *Federal Register*, Vol. 85, No. 41, 03/02/2020, 12373.



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Agencies Extend Comment Period for CRA Proposal.

The Federal Deposit Insurance Corporation (FDIC) and Office of the Comptroller of the Currency (OCC) have extended the comment period of the proposed rule regarding the Community Reinvestment Act (CRA). On **01/09/2020**, the agencies published in the *Federal Register* a proposed rule entitled, Community Reinvestment Act Regulations. The proposed rule provided for a 60-day comment period, which would have closed **03/09/2020**. The agencies have determined that an extension of the comment period until **04/08/2020** is appropriate. The comment period for the CRA-related proposed rule published on **01/09/2020**, has been extended from **03/09/2020** to **04/08/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-26/pdf/2020-03766.pdf>. *Federal Register*, Vol. 85, No. 38, 02/26/2020, 10996-10997.

Agencies Propose Amendments to Volcker Rule.

The Board of Governors of the Federal Reserve System (FRB), Federal Deposit Insurance Corporation (FDIC), Office of the Comptroller of the Currency (OCC), Commodity Futures Trading Commission (CFTC), and Securities and Exchange Commission (SEC) have issued a proposed rule that would amend the regulations that implement section 13 of the Bank Holding Company Act (BHC Act), also known as the Volcker Rule. Section 13 contains certain restrictions on the ability of a banking entity or nonbank financial company supervised by FRB to engage in proprietary trading and have certain interests in, or relationships with, a hedge fund or private equity fund. The proposed amendments are intended to continue the agencies' efforts to improve and streamline the regulations implementing section 13 of the BHC Act by modifying and clarifying requirements related to the covered fund provisions. Comments are due **04/01/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-28/pdf/2020-02707.pdf>. *Federal Register*, Vol. 85, No. 40, 02/28/2020, 12120-12206.

CFPB Publishes Supervisory Highlights.

The Bureau of Consumer Financial Protection (CFPB) has published its twenty-first edition of Supervisory Highlights. In the issue, CFPB reports on examination findings in the areas of debt collection, mortgage servicing, payday lending, and student loan servicing that were completed between April 2019 and August 2019. 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 examinations. CFPB posted the publication on its website **02/14/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-20/pdf/2020-03301.pdf>. *Federal Register*, Vol. 85, No. 34, 02/20/2020, 9746-9750.

CFPB Issues Supplemental Proposal to Amend FDCPA.

CFPB has proposed to amend Regulation F which implements the Fair Debt Collection Practices Act (FDCPA) and currently contains the procedures for state application for exemption from the provisions of FDCPA. On **05/21/2019**, CFPB published in the *Federal Register* a proposed rule (May 2019 Proposed Rule) that would prescribe federal rules governing the activities of debt collectors, as that term is defined in FDCPA. The proposal supplements the May 2019 Proposed Rule by proposing to require debt collectors to make certain disclosures when collecting time-barred debts. Comments are due **05/04/2020**. The supplemental proposal may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-03/pdf/2020-03838.pdf>. *Federal Register*, Vol. 85, No. 42, 03/03/2020, 12672-12702.

FFIEC Adopts Grant Handbook.

The Federal Financial Institutions Examination Council's (FFIEC's) Appraisal Subcommittee (ASC) has adopted the Grants Handbook (Handbook). The Handbook is the official repository of the policies and procedures for the administration of grants made by ASC. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-14/pdf/2020-03021.pdf>. *Federal Register*, Vol. 85, No. 31, 02/14/2020, 8592.

FRB Issues Final Rules on Interest Paid on Reserve Balances.

- The Board of Governors of the Federal Reserve System (FRB) has issued a final rule to amend 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 rule specifies that IORR is 1.60 percent and IOER is 1.60 percent, a 0.05 percentage point increase from



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prior levels. The amendments are intended to enhance the role of such rates of interest in maintaining the federal funds rate in the target range established by the Federal Open Market Committee (FOMC). The final rule is effective **02/12/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-12/pdf/2020-02119.pdf>. *Federal Register*, Vol. 85, No. 29, 02/12/2020, 7855-7857.

- FRB has issued a final rule to amend 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 rule specifies that IORR is 1.10 percent and IOER is 1.10 percent, a 0.50 percentage point decrease from prior levels. The amendments are intended to enhance the role of such rates of interest in maintaining the federal funds rate in the target range established by the Federal Open Market Committee (FOMC). The final rule is effective **03/10/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-10/pdf/2020-04826.pdf>. *Federal Register*, Vol. 85, No. 47, 03/10/2020, 13724-13725.

FRB Issues Final Rule on Control and Divestiture Proceedings.

FRB has issued a final rule to revise the 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 final rule expands the number of presumptions for use in such determinations. By codifying the presumptions in FRB's Regulation Y and Regulation LL, the rule will provide substantial additional transparency on the types of relationships that FRB generally views as supporting a determination that one company controls another company. The final rule is largely consistent with the proposal and includes certain targeted adjustments to FRB's historical practice, as described in detail in the final rule. The final rule is effective **04/01/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-02/pdf/2020-03398.pdf>. *Federal Register*, Vol. 85, No. 41, 03/02/2020, 12398-12430.

FRB Issues Final Rule to Reflect Decrease in Rate for Primary Credit.

FRB has issued a final rule to amend Regulation A to reflect 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 Federal Reserve Banks make primary and secondary credit available to depository institutions as a backup source of funding on a short-term basis, usually overnight. The primary and secondary credit rates are the interest rates that the twelve Federal Reserve Banks charge for extensions of credit under these programs. On **03/03/2020**, FRB voted to approve a 1/2 percentage point decrease in the primary credit rate in effect at each of the twelve Federal Reserve Banks, thereby decreasing from 2.25 percent to 1.75 percent the rate that each Reserve Bank charges for extensions of primary credit. In addition, FRB had previously approved the renewal of the secondary credit rate formula, the primary credit rate plus 50 basis points. Under the formula, the secondary credit rate in effect at each of the twelve Federal Reserve Banks decreased by 1/2 percentage point as a result of FRB's primary credit rate action, thereby decreasing from 2.75 percent to 2.25 percent the rate that each Reserve Bank charges for extensions of secondary credit. The amendments to Regulation A reflect these rate changes. The amendments are effective **03/10/2020**. The rate changes for primary and secondary credit were applicable 03/04/2020. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-10/pdf/2020-04825.pdf>. *Federal Register*, Vol. 85, No. 47, 03/10/2020, 13723-13724.

FDIC Issues Final Securitization Safe Harbor Rule.

The Federal Deposit Insurance Corporation (FDIC) has issued a final rule to amend its securitization safe harbor rule, which relates to the treatment of financial assets transferred in connection with a securitization transaction, in order to eliminate a requirement that the securitization documents require compliance with Regulation AB of the Securities and Exchange Commission (SEC) in circumstances where Regulation AB by its terms would not apply to the issuance of obligations backed by such financial assets. The final rule is effective **05/04/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-04/pdf/2020-02936.pdf>. *Federal Register*, Vol. 85, No. 43, 03/04/2020, 12724-12731.

FDIC Issues Updated Listing of Financial Institutions in Liquidation.

FDIC has issued a notice to announce it has been appointed the sole receiver for the financial institutions listed in the notice. The appointment is effective as of the "date closed" indicated in the listing. This list (as updated from time to time in the *Federal Register*) may be relied upon as "of record" notice that FDIC has been appointed receiver for purposes of the statement of policy published in



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the 09/02/1992 issue of the *Federal Register*. For further information concerning the identification of any institutions which have been placed in liquidation, please visit FDIC's website at: www.fdic.gov/bank/individual/failed/banklist.html, or contact the Manager of Receivership Oversight at: RO@fdic.gov or at: Division of Resolutions and Receiverships, FDIC, 1601 Bryan Street, Suite 34100, Dallas, TX 75201-3401. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-21/pdf/2020-03514.pdf>. *Federal Register*, Vol. 85, No. 35, 02/21/2020, 10164-10165.

FDIC Seeks Comment on Modernization of Sign and Advertising Rules.

FDIC seeks comment regarding potential modernization of its sign and advertising rules to reflect that deposit-taking via physical branch, digital, and mobile banking channels continues to evolve since FDIC last significantly updated its rules in 2006. FDIC has issued the notice to inform of its efforts to align the policy objectives of its rules and keep pace with how today's banks offer deposit products and services and how consumers connect with banks, including through evolving channels. FDIC also seeks input on how to address potential misrepresentations by nonbanks about deposit insurance. In addition, FDIC requests information about how technological or other solutions could be leveraged to help consumers better distinguish FDIC-insured banks and savings associations from entities that are not insured by FDIC (nonbanks), particularly across web and digital channels. Comments are due **03/19/2020**. On **03/13/2020**, FDIC published a notice to extend the comment period to **04/20/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-26/pdf/2020-03689.pdf>. *Federal Register*, Vol. 85, No. 38, 02/26/2020, 10997-11000. The notice to extend the comment period may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-13/pdf/2020-05127.pdf>. *Federal Register*, Vol. 85, No. 50, 03/13/2020, 14678-14679.

HUD Announces Sale of Reverse Mortgage Pools.

The Department of Housing and Urban Development (HUD) has announced its intention to competitively offer multiple residential reverse mortgage pools consisting of approximately 700 reverse mortgage notes secured by properties with a loan balance of approximately \$150 million. The sale will consist of due and payable Secretary-held reverse mortgage loans. The mortgage loans consist of first liens secured by single family, vacant residential properties, where all borrowers are deceased, and no borrower is survived by a non-borrowing spouse. The notice also generally describes the bidding process for the sale and certain persons who are ineligible to bid. The Bidder's Information Package was made available to qualified bidders on or about **02/14/2020**. Bids for the HVLS 2020-1 sale will be accepted on the bid date of **03/18/2020**. HUD anticipates that award(s) will be made on or about **03/19/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-25/pdf/2020-03743.pdf>. *Federal Register*, Vol. 85, No. 37, 02/25/2020, 10711-10712.

FEMA Issues Notice of Changes in Flood Hazard Determinations.

FEMA has issued a notice which lists communities in the states of **Illinois**, and **Wisconsin**, where the addition or modification of Base Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, or the regulatory floodway (hereinafter referred to as flood hazard determinations), as shown on the Flood Insurance Rate Maps (FIRMs), and where applicable, in the supporting Flood Insurance Study (FIS) reports, prepared by FEMA for each community, is appropriate because of new scientific or technical data. The FIRM, and where applicable, portions of the FIS report, have been revised to reflect these flood hazard determinations through issuance of a Letter of Map Revision (LOMR), in accordance with Federal Regulations. The LOMR will be used by insurance agents and others to calculate appropriate flood insurance premium rates for new buildings and the contents of those buildings. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-03/pdf/2020-04279.pdf>. *Federal Register*, Vol. 85, No. 41, 03/03/2020, 12571-12573.

FEMA Proposes Flood Hazard Determinations.

- FEMA seeks comment 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 the communities in the state of **Michigan** as listed in the table in the notice. The purpose of the notice is to seek general information and comment regarding the preliminary FIRM, and where applicable, the FIS report that FEMA has provided to the affected communities. 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 **05/18/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-18/pdf/2020-03120.pdf>. *Federal Register*, Vol. 85, No. 32, 02/18/2020, 8884-8886.



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- FEMA seeks 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 the communities in the states of **Iowa**, and **Nebraska** as listed in the table in the notice. The purpose of the notice is to seek general information and comment regarding the preliminary FIRM, and where applicable, the FIS report that FEMA has provided to the affected communities. 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 **05/27/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-27/pdf/2020-03899.pdf>. *Federal Register*, Vol. 85, No. 39, 02/27/2020, 11377-11378.

FEMA Issues Proposed Rule to Revise Certain Publication Requirements.

FEMA has issued a proposed rule to make two changes to its regulations regarding publication requirements of community eligibility status information under the National Flood Insurance Program (NFIP). First, FEMA has proposed to replace outdated regulations that require publication of community loss of eligibility notices in the *Federal Register* with a requirement that FEMA publish the information on the internet or by another comparable method. Second, FEMA has proposed to replace its requirement that FEMA maintain a list of communities eligible for flood insurance in the Code of Federal Regulations with a requirement that FEMA publish the list on the internet or by another comparable method. Comments are due **04/13/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-12/pdf/2020-02510.pdf>. *Federal Register*, Vol. 85, No. 28, 02/12/2020, 7902-7909.

Treasury Issues Guidance on Amount of Federal Income Tax to Withhold from Employee's Wages.

The Department of the Treasury (Treasury) has issued a proposed rule to provide guidance for employers concerning the amount of federal income tax to withhold from employee's wages, implement recent changes in the Internal Revenue Code made by the Tax Cuts and Jobs Act, and reflect the redesigned 2020 Form W-4 and related IRS publications. The proposed rule affects employers that pay wages subject to federal income tax withholding and employees who receive wages subject to federal income tax withholding. Comments are due **04/13/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-13/pdf/2020-02849.pdf>. *Federal Register*, Vol. 85, No. 30, 02/13/2020, 8344-8372.

Treasury Proposes Rule on Meals and Entertainment Expenses Under Section 274.

Treasury seeks comment on a proposed rule that would provide guidance under section 274 of the Internal Revenue Code regarding certain statutory amendments made to section 274 by 2017 legislation. Specifically, the proposed rule addresses the elimination of the deduction under section 274 for expenditures related to entertainment, amusement, or recreation activities, and would provide guidance to determine whether an activity is of a type generally considered to be entertainment. The proposed rule also addresses the limitation on the deduction of food and beverage expenses under section 274(k) and (n), including the applicability of the exceptions under section 274(e)(2), (3), (4), (7), (8), and (9). Comments are due **04/13/2020**. Outlines of topics to be discussed at the hearing scheduled for **04/07/2020**, at 10 a.m. must be received by **04/13/2020**. If no outlines are received by **04/13/2020**, the hearing will be cancelled. On **03/06/2020**, IRS issued a notice to change the date for the hearing to **04/29/2020**. Comments and outlines on topics to be discussed at hearing remain due **04/13/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-26/pdf/2020-03723.pdf>. *Federal Register*, Vol. 85, No. 38, 02/26/2020, 11020-11031. The notice of rescheduled hearing may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-06/pdf/2020-04561.pdf>. *Federal Register*, Vol. 85, No. 45, 03/06/2020, 13118.

SBA Issues Final Rule to Remove 20 Regulations from CFR.

The Small Business Administration (SBA) has issued a final rule to remove 20 regulations from the Code of Federal Regulations (CFR) that are no longer necessary because the programs the regulations govern are no longer in effect. The final rule will remove all regulations applicable to two subparts: Pre-Disaster Mitigation Loans and Economic Injury Disaster Loans as a Result of the September 11, 2001 Terrorist Attacks. The removal of the regulations will simplify SBA's regulations in the CFR. The final rule is effective **06/03/2020**, unless significant adverse comment is received by **05/04/2020**. If significant adverse comment is received, SBA will publish a timely withdrawal of the final rule in the *Federal Register*. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-05/pdf/2020-03657.pdf>. *Federal Register*, Vol. 85, No. 44, 03/05/2020, 12875-12876.



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SBA Issues Notice of Guidance Availability.

SBA has issued a notice to advise of the availability of SBA Guidance Documents on its website. All guidance documents may be found on the website by **02/28/2020**. The guidance documents of SBA are available at: www.sba.gov/guidance. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-25/pdf/2020-03679.pdf>. *Federal Register*, Vol. 85, No. 37, 02/25/2020, 10803.

SBA Proposes Removal of Regulations Related to Intermediary Lending Pilot Program Intermediaries.

SBA has proposed to remove three regulations governing the application and selection process for Intermediary Lending Pilot (ILP) Program Intermediaries. The regulations are no longer necessary because SBA is no longer authorized to select new ILP Intermediaries. The removal of the regulations will simplify SBA's regulations. SBA has also proposed to make two conforming amendments to avoid confusion. Comments are due **05/04/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-05/pdf/2020-04465.pdf>. *Federal Register*, Vol. 85, No. 44, 03/05/2020, 12875-12876.

Agencies Issue Interim Rule to Implement the Regional Conservation Partnership Program.

The Commodity Credit Corporation (CCC), Natural Resources Conservation Service (NRCS), and United States Department of Agriculture (USDA) have issued an interim rule to implement the Regional Conservation Partnership Program (RCPP). RCPP enhances conservation and promotes coordination between NRCS and its partners to help producers and landowners increase the restoration and sustainable use of soil, water, and wildlife on a regional or watershed scale. NRCS, an agency of USDA, administers RCPP, which is funded through CCC. RCPP is reauthorized by the Agriculture Improvement Act of 2018, which streamlined RCPP administration, including elimination of "covered program" financial transfers and replacement of covered program contracts with RCPP contracts and programmatic partnership agreements. The interim final rule is effective **02/13/2020**. Comments are due **04/13/2020**. The interim final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-13/pdf/2020-01812.pdf>. *Federal Register*, Vol. 85, No. 30, 02/13/2020, 8131-8145.

Agencies Announce Intent to Issue NOFA Under Higher Blends Infrastructure Incentive Program.

The Commodity Credit Corporation (CCC) and the Rural Business-Cooperative Service (RBC) have issued a notice of funding availability (NOFA) of up to \$100 million in competitive grants to eligible entities for activities designed to expand the sales and use of renewable fuels under the Higher Blends Infrastructure Incentive Program. The purpose of the notice is to alert prospective participants and stakeholders of the agencies' intentions to jointly publish a NOFA by mid-spring which will provide specific program information and requirements. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-28/pdf/2020-03831.pdf>. *Federal Register*, Vol. 85, No. 40, 02/28/2020, 11946-11947.

FSA Seeks Comment on Revision to Several Information Collections.

The Farm Service Agency (FSA) seeks comment on revisions to four Farm Loan Programs' information collection requests. The four collection requests are: Inventory Property Management, Direct Loan Servicing—Regular, Guaranteed Farm Loan Program, and General Program Administration. In the Inventory Property Management, the collected information is used to evaluate applicant requests to purchase inventory property, determine eligibility to lease or purchase inventory property, and ensure the payment of the lease amount or purchase amount associated with the acquisition of inventory property. In the Direct Loan Servicing—Regular, the information is used to determine borrower compliance with loan agreements, assist the borrower in achieving business goals, and regular servicing of the loan account such as graduation, subordination, partial release, and use of proceeds. In the General Program Administration, the information collected is used to ensure that applicants meet statutory eligibility requirements, loan funds are used for authorized purposes, and the Government's interest in security is adequately protected. In the Guaranteed Farm Loan Program, the collected information is needed to make and service loans guaranteed by FSA to eligible farmers and ranchers by commercial lenders and nontraditional lenders. Comments are due **04/20/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-20/pdf/2020-03303.pdf>. *Federal Register*, Vol. 85, No. 34, 02/20/2020, 9722-9724.



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FCA Issues Policy Statement on Oversight of Farmer Mac.

The Farm Credit Administration (FCA) has issued a new Policy Statement on Oversight of the Federal Agricultural Mortgage Corporation (Farmer Mac). FCA is responsible for examining, regulating, and supervising the Farm Credit System, which includes Farmer Mac. Good agency governance practices require FCA to establish general strategy and direction to the Office of Secondary Market Oversight (OSMO) for the examination, regulation, and supervision of Farmer Mac. The policy also establishes OSMO's responsibility to implement the annual risk-based examination program, and develop regulations and other guidance, as needed. All FCA policy statements may be viewed on FCA's website. The policy statement was issued **02/21/2020**. The statement may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-21/pdf/2020-01888.pdf>. *Federal Register*, Vol. 85, No. 35, 02/21/2020, 10035-10036.

RHS Seeks Applications for Rural Community Development Initiative.

The Rural Housing Service (RHS) seeks applications under the Rural Community Development Initiative (RCDI) program. Applicants must provide matching funds in an amount at least equal to the federal grant. The grants will be made to qualified intermediary organizations that will provide financial and technical assistance to recipients to develop their capacity and ability to undertake projects related to housing, community facilities, or community and economic development that will support the community. RHS will publish the amount of funding on its website at: <https://www.rd.usda.gov/newsroom/notices-solicitation-applications-nosas>. Paper applications are due **05/18/2020**. Electronic applications are due **05/13/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-04/pdf/2020-04430.pdf>. *Federal Register*, Vol. 85, No. 43, 03/04/2020, 12761-12771.

CCC Finalizes Rule to Amend Supplemental Agricultural Disaster Assistance Programs.

The Commodity Credit Corporation (CCC) has issued a final rule regarding its Supplemental Agricultural Disaster Assistance Programs. The Agriculture Improvement Act (2018 Farm Bill) amended the Agricultural Act to make changes to the Supplemental Agricultural Disaster Assistance Programs, which include the: Livestock Indemnity Program (LIP), Livestock Forage Disaster Program (LFP), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP), and Tree Assistance Program (TAP). The final rule includes changes required by the 2018 Farm Bill, as well as discretionary changes intended to improve administration of the programs and clarify existing program requirements. The final rule is effective **02/26/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-26/pdf/2020-03841.pdf>. *Federal Register*, Vol. 85, No. 38, 02/26/2020, 10959-10968.

CCC Finalizes Rule to Implement Changes to Noninsured Crop Disaster Assistance Program.

CCC has issued a final rule to implement changes to the Noninsured Crop Disaster Assistance Program (NAP) as required by the Agriculture Improvement Act. The final rule makes buy-up coverage levels available for 2019 and future years, increases service fees, and extends the service fee waiver and premium reduction to eligible veterans. The final rule includes the changes to the payment limitation and native sod provisions and clarifies when NAP coverage is available for crops when certain crop insurance is available under the Federal Crop Insurance Act. The final rule has also added provisions for eligibility and program requirements for new producers or producers with less than 1-year growing experience with a new crop (for example, most hemp producers). The final rule also makes some additional minor changes to clarify existing NAP requirements and improve program integrity. The final rule is effective **03/02/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-02/pdf/2020-04103.pdf>. *Federal Register*, Vol. 85, No. 41, 03/02/2020, 12213-12221.

RBC Issues Notice of FY 2020 Guarantee Fee Rates, Maximum Portion of Guarantee Authority Available, and Annual Renewal Fee.

The Rural Business-Cooperative Service (RBC) has issued a notice of the fiscal year (FY) 2020 guarantee fee rates for guaranteed loans, the maximum portion of guarantee authority available for FY 2020, and the annual renewal fee for FY 2020 when applying for guaranteed loans under the Business and Industry (B&I) Guaranteed Loan Program. RBC has the authority to charge a guarantee fee and an annual renewal fee for loans made under the B&I Guaranteed Loan Program. Pursuant to that authority, and subject to the current appropriated authority, RBC has established an initial guarantee fee rate of 3 percent and an annual renewal fee rate of one-half of 1 percent for the B&I Guaranteed Loan Program. The initial guarantee fee is paid at the time the loan note guarantee is issued. The annual renewal fee is paid by the lender to RBC once a year. Payment of the annual renewal fee is required in order to maintain the



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enforceability of the guarantee. The notice is effective **02/20/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-20/pdf/2020-03338.pdf>. *Federal Register*, Vol. 85, No. 34, 02/20/2020, 9725-9726.

SEC Finalizes Rule to Delegate Authority to General Counsel.

The Securities and Exchange Commission (SEC) has issued a final rule to revise regulations with respect to the delegations of authority to SEC's General Counsel. The revisions are a result of SEC's experience with its bankruptcy program and are intended to conserve SEC resources by delegating to staff the discretion to file objections in bankruptcy cases with respect to the frequently recurring issue of non-debtor third-party releases. The revisions will expedite and enhance the effectiveness of SEC's bankruptcy program by enabling SEC to meet bankruptcy court deadlines that affect issues important to SEC. The final rule is effective **03/02/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-02/pdf/2020-03705.pdf>. *Federal Register*, Vol. 85, No. 41, 03/02/2020, 12221-12222.

SEC Finalizes Rule to Exempt Investment Adviser Registration for Advisers to Certain Rural Business Investment Companies.

The Securities Exchange Commission (SEC) has issued a final rule to amend the definition of the term "venture capital fund" and the private fund adviser exemption under the Investment Advisers Act to reflect in SEC rules exemptions from registration for investment advisers who advise rural business investment companies (RBICs). The exemptions were enacted as part of the RBIC Advisers Relief Act. Specifically, the RBIC Advisers Relief Act amended Advisers Act section 203(l), which exempts from investment adviser registration any adviser who solely advises venture capital funds, by stating that RBICs are venture capital funds for purposes of the exemption. Accordingly, SEC has amended the definition of the term "venture capital fund" to include RBICs. The RBIC Advisers Relief Act also amended Advisers Act section 203(m), which exempts from investment adviser registration any adviser who solely advises private funds and has assets under management in the United States of less than \$150 million, by excluding RBIC assets from counting towards the \$150 million threshold. Accordingly, SEC has amended the definition of the term "assets under management" in the private fund adviser exemption to exclude the assets of RBICs. The final rule is effective **03/10/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-10/pdf/2020-04571.pdf>. *Federal Register*, Vol. 85, No. 47, 03/10/2020, 13734-13741.

FASB Issues Technical Bulletin 2020-1, Loss Allowance for Intergovernmental Receivables.

The Federal Accounting Standards Advisory Board (FASB) has issued Technical Bulletin 2020-1, Loss Allowance for Intragovernmental Receivables. The bulletin is available on the FASB website at: <https://fasab.gov/accounting-standards/>. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-27/pdf/2020-03912.pdf>. *Federal Register*, Vol. 85, No. 39, 02/27/2020, 11368-11369.

FTC Seeks Comment on Guides Concerning Use of Endorsements and Testimonials in Advertising.

The Federal Trade Commission (FTC) seeks comment on its Guides Concerning the Use of Endorsements and Testimonials in Advertising. FTC seeks comment as part of its systematic review of all current FTC regulations and guides. The guide is designed to assist businesses and others in conforming their endorsement and testimonial advertising practices to the requirements of Section 5 of the Federal Trade Commission Act. Comments are due **04/21/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-21/pdf/2020-03447.pdf>. *Federal Register*, Vol. 85, No. 35, 02/21/2020, 10104-10107.

FCC Proposes Rule to Implement TRACED Act.

The Federal Communications Commission (FCC) has issued a proposed rule to implement the Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence Act (TRACED Act) to establish a process for the registration of a single consortium that conducts private-led efforts to trace back the origin of suspected unlawful robocalls. Comments were due **02/24/2020**. Reply comments due **03/02/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-14/pdf/2020-03065.pdf>. *Federal Register*, Vol. 85, No. 31, 02/14/2020, 8531-8533.



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NCUA Proposes to Permit Certain Credit Unions to Issue Subordinated Debt.

The National Credit Union Administration (NCUA) has issued a proposed rule to amend various parts of its regulations to permit low-income designated credit unions (LICUs), complex credit unions, and new credit unions to issue subordinated debt for purposes of regulatory capital treatment. Specifically, the proposed rule would create a new subpart in NCUA's final risk-based capital rule that would address the requirements for and regulatory capital treatment of subordinated debt. The new subpart would, among other things, contain requirements related to applying for authority to issue subordinated debt, credit union eligibility to issue subordinated debt, prepayments, disclosures, securities laws, and the terms of a subordinated debt note. The proposed rule also makes various additions and amendments to other parts and sections of NCUA's regulations. Comments are due **07/08/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-10/pdf/2020-01537.pdf>. *Federal Register*, Vol. 85, No. 47, 03/10/2020, 13982-14033.

EEOC Finalizes Rule to Correct and Amend 2019 Adjustment for Penalty of Violating Notice Posting Requirements.

The Equal Employment Opportunity Commission (EEOC) has issued a final rule to correct the RIN Number of its item entitled, 2019 Adjustment of the Penalty for Violation of Notice Posting Requirements, and to add to the authority citation to identify the statutory authority for EEOC to make adjustments to the penalty for violating notice posting requirements. On **03/21/2019**, EEOC's 2019 Adjustment of the Penalty for Violation of Notice Posting Requirements was published in the *Federal Register*. The final rule provided notice of an annual inflationary adjustment to the penalty for covered employers that fail to post a notice of employee rights under federal employment anti-discrimination laws as required by the Federal Civil Penalties Inflation Adjustment Act, as amended. The publication also inadvertently repeated an old regulatory identification number (RIN) from a past year's penalty adjustment. The correct RIN number for this item is 3046-AB14. The final rule also adds the authority for making these adjustments to the statutory authority for 29 CFR part 1601. The final rule is effective **02/27/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-27/pdf/2020-02144.pdf>. *Federal Register*, Vol. 85, No. 39, 02/27/2020, 11293-11294.

DOD Issues Interpretive Rule to Amend MLA.

The Department of Defense (DOD) has amended its interpretive rule for the Military Lending Act (MLA). MLA, as implemented by DOD, limits the military annual percentage rate (MAPR) that a creditor may charge to a maximum of 36 percent, requires certain disclosures, and provides other substantive consumer protections on "consumer credit" extended to servicemembers and their families. On **07/22/2015**, DOD amended its regulation primarily for the purpose of extending the protections of MLA to a broader range of closed-end and open-end credit products (the July 2015 Final Rule). On **08/26/2016**, DOD issued the first set of interpretations of that regulation in the form of questions and answers. On **12/14/2017**, DOD issued a second set of interpretations of that regulation in the form of amended questions and answers. DOD has now withdrawn the amended question and answer number 2 (Q&A #2), published in the **12/14/2017**, Interpretive Rule. Q&A #2 discussed when credit is extended for the purpose of purchasing a motor vehicle or personal property and the creditor simultaneously extends credit in an amount greater than the purchase price of the motor vehicle or personal property. In withdrawing the amended question and answer, DOD has reverted to the original Q&A #2 published in the 08/26/2016 Interpretive Rule. The action will allow DOD to conduct additional analysis on the matter. DOD has also added a new question and answer to address questions about the use of Individual Taxpayer Identification Numbers to identify covered borrowers in DOD's database. The interpretive rule is effective **02/28/2020**. The interpretive rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-28/pdf/2020-04041.pdf>. *Federal Register*, Vol. 85, No. 40, 02/28/2020, 11842-11844.

SSA Finalizes Rule on Advance Designation of Representative Payees for Social Security Beneficiaries.

The Social Security Administration (SSA) has issued a final rule to specify the information Social Security beneficiaries and applicants must provide to designate individuals as their possible representative payee in advance of SSA's determination that the beneficiary needs a representative payee. The final rule also sets forth how SSA will consider an individual's advance designation when SSA selects a representative payee. The final rule is effective **02/25/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-11/pdf/2020-02409.pdf>. *Federal Register*, Vol. 85, No. 28, 02/11/2020, 7661-7665.



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SSA Announces Addresses for Service of Process.

SSA's Office of the General Counsel is responsible for processing and handling summonses and complaints in lawsuits involving judicial review of SSA final decisions on individual claims for benefits under titles II, VIII, and XVI of the Social Security Act (Act), and individual claims for a Medicare Part D subsidy under title XVIII of the Act. The notice sets out the names and current addresses of those offices and the jurisdictions for which each office has responsibility. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-03-02/pdf/2020-04246.pdf>. *Federal Register*, Vol. 85, No. 41, 03/02/2020, 12370-12373.

CDFI Issues Notices of Funds Availabilities.

- The Community Development Financial Institutions (CDFI) Fund has issued a notice of funds availability for Applications for Financial Assistance awards or Technical Assistance grants under the Native American CDFI Assistance (NACA Program) fiscal year (FY) 2020 Funding Round. Please see the notice for application dates and requirements. The notice was issued **02/21/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-21/pdf/2020-03442.pdf>. *Federal Register*, Vol. 85, No. 35, 02/21/2020, 10240-10262.
- CDFI has issued a notice of funds availability for Financial Assistance awards or Technical Assistance grants under the Community Development Financial Institutions Program (CDFI Program) fiscal year (FY) 2020 Funding Round. Please see the notice for application dates and requirements. The notice was issued **02/21/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-02-21/pdf/2020-03440.pdf>. *Federal Register*, Vol. 85, No. 35, 02/21/2020, 10219-10240.

Compliance Notes

▲ FRB, FDIC and OCC have announced actions the agencies believe support the U.S. economy and allow banks to continue lending to households and businesses amid COVID-19. The first action was to issue a statement encouraging banks to use their resources to support households and business. The statement notes that banks have more than doubled their capital and liquidity levels over the past decade and are now substantially safer and stronger than they were previously. As a result, the agencies are encouraging banks to use that strength to support households and businesses. The second action was to issue a technical change to the agencies' capital rule that if a bank's capital declines by a certain amount, the rule phases in the agencies' automatic distribution restrictions gradually. The statement may be viewed at: <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20200317a.htm>

▲ Treasury and IRS have issued guidance to allow all individual and other non-corporate tax filers to defer up to \$1 million of federal income tax (including self-employment tax) payments due on 04/15/2020, until 07/15/2020, without penalties or interest. The guidance also allows corporate taxpayers a similar deferral of up to \$10 million of federal income tax payments due 04/15/2020, until 07/15/2020, without penalties or interest. Filers must, however, still meet the April 15th filing deadline. The guidance may be viewed at: <https://www.irs.gov/pub/irs-drop/n-20-17.pdf>

▲ FHFA has announced Fannie Mae and Freddie Mac will suspend foreclosures and evictions for at least 60 days due to the coronavirus national emergency. The foreclosure and eviction suspension applies to homeowners with a Fannie Mae- or Freddie Mac-backed single-family mortgage. The notice may be viewed at: <https://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Suspends-Foreclosures-and-Evictions-for-Enterprise-Backed-Mortgages.aspx>

▲ HUD has authorized FHA to implement an immediate foreclosure and eviction moratorium for single-family homeowners with FHA-insured mortgages for the next 60 days. The program applies to homeowners with FHA-insured Title II Single Family Forward and Home Equity Conversion (reverse) mortgages, and directs mortgage servicers to: halt all new foreclosure actions and suspend all foreclosure actions currently in process; and cease all evictions of persons from FHA-insured single-family properties. The notice may be viewed at: https://www.hud.gov/press/press_releases_media_advisories/HUD_No_20_042

▲ NMLS has created a COVID-19 website landing page with information collected from Wisconsin and other state regulators as it relates to licensure information. Included is a listing of items issued by states. The information may be viewed at: <https://mortgage.nationwidelicensingsystem.org/news/Pages/NMLS%20COVID-19%20Updates.aspx>



Compliance Notes

- ▲ FDIC issued a reminder that FDIC-insured banks remain the safest place to keep their money. FDIC also reminded consumers of recent scams where imposters are pretending to be FDIC representatives to perpetrate fraudulent schemes. FDIC does not send unsolicited correspondence asking for money or sensitive personal information. Additionally, FDIC will never contact people asking for personal details, such as bank account information, credit and debit card numbers, social security numbers, or passwords. FDIC has also made available anti-fraud and anti-scam information to help consumers protect against either threat. The reminder and resources may be viewed at: <https://www.fdic.gov/news/news/press/2020/pr20032.html>
- ▲ OFAC published two new Reporting, Procedures and Penalties Regulations (RPPR)-related Frequently Asked Questions (FAQs). These FAQs are related to the 06/21/2019 Amendment to the RPPR. The FAQs may be viewed at: https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20200220_33.aspx
- ▲ FTC released its annual privacy and security update for 2019, highlighting a record year for enforcement actions aimed at protecting consumer privacy and data security. The report may be viewed at: <https://www.ftc.gov/system/files/documents/reports/privacy-data-security-update-2019/2019-privacy-data-security-report-508.pdf>
- ▲ FDIC released a new guide to help financial technology companies and others partner with banks. Conducting Business with Banks: A Guide for Third Parties is designed to help third parties understand the environment in which banks operate and navigate the requirements unique to banking. The guide may be viewed at: <https://www.fdic.gov/fditech/guide.pdf>
- ▲ FDIC issued the Winter 2020 Money Smart News. This edition highlights four FDIC Money Smart Alliance members and the noteworthy ways they are using Money Smart for Adults to help people improve their financial well-being. The edition may be viewed at: <https://www.fdic.gov/consumers/consumer/moneysmart/newsletter/winter2020/>
- ▲ CFPB has posted FAQs related to the TRID Rule and lender credits. The FAQs may be viewed at: <https://www.consumerfinance.gov/policy-compliance/guidance/tila-respa-disclosure-rule/tila-respa-integrated-disclosure-faqs/>
- ▲ CFPB has published a HMDA FAQ regarding a natural person application. In particular, if a natural person applicant submits a mail, internet, or telephone application under Regulation C but does not provide race, ethnicity, or sex information, what should the financial institution report regarding whether this information was collected on the basis of visual observation or surname? CFPB has instructed the financial institution may report either that the information was not collected on the basis of visual observation or surname (code 2) or that the requirement to report this data field is not applicable (code 3). For consistency of data across all HMDA reporting financial institutions, CFPB suggests, but does not require, that financial institutions use code 2. The item is question 7 in the “Ethnicity, Race, and Sex” group on CFPB’s HMDA FAQs webpage which may be viewed at: <https://www.consumerfinance.gov/policy-compliance/guidance/hmda-implementation/home-mortgage-disclosure-act-faqs/>
- ▲ FRB, FDIC, and OCC issued a joint statement encouraging banks to use the Federal Reserve’s “discount window” so that they can continue supporting households and businesses. The discount window provides short-term loans to banks and plays an important role in supporting the liquidity and stability of the banking system. By providing ready access to funding, the discount window helps depository institutions manage their liquidity risks efficiently and avoid actions that have negative consequences for their customers. The statement may be viewed at: <https://www.occ.gov/news-issuances/news-releases/2020/nr-ia-2020-32a.pdf>
- ▲ IRS issued a reminder to taxpayers to remain vigilant with their personal information by securing computers and mobile phones. Proper cybersecurity protection and scam recognition can reduce the threat of identity theft inside and outside the tax system. This news release is part of a series called the Tax Time Guide, a resource to help taxpayers file an accurate tax return. Additional help is available in Publication 17, Your Federal Income Tax. The IRS doesn’t initiate contact with taxpayers by email, text messages or social media channels to request personal or financial information. People should be alert to scammers posing as the IRS to steal personal information. The reminder may be viewed at: <https://www.irs.gov/newsroom/tax-time-guide-guard-personal-financial-and-tax-information-year-round>
- ▲ HUD announced over \$118 million in grants to support local homeless assistance programs across the country. This round of HUD’s Continuum of Care grants will provide critically needed support to approximately 630 local programs on the front lines, serving individuals and families experiencing homelessness. The announcement may be viewed at: https://www.hud.gov/press/press_releases_media_advisories/HUD_No_20_041
- ▲ OCC has fully revised its Deposit-Related Credit booklet of the Comptroller’s Handbook to: reflect relevant OCC issuances published since the booklet was last issued; reflect changes to laws and regulations that occurred since the booklet was last is-



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sued; clarify applicability of references to covered savings associations; (4) include clarifying edits regarding supervisory guidance, sound risk management practices, or legal language; and (5) revise certain content for general clarity. The revised booklet may be viewed at: <https://www.occ.gov/news-issuances/bulletins/2020/bulletin-2020-14.html>

▲ FDIC has issued its fourth quarter summary of banking and economic conditions. The Wisconsin-specific summary may be viewed at: <https://www.fdic.gov/bank/analytical/stateprofile/chicago/wi.pdf>. Summaries for other states may be viewed at: <https://www.fdic.gov/bank/analytical/stateprofile/>

▲ OCC has issued a series of frequently asked questions (FAQs) to supplement OCC Bulletin 2013-29, Third-Party Relationships: Risk Management Guidance, issued 10/30/2013. The recently issued FAQs are intended to clarify OCC's existing guidance and reflect evolving industry trends. OCC has rescinded Bulletin 2017-21, "Third-Party Relationships: Frequently Asked Questions to Supplement OCC Bulletin 2013-29," issued on 06/07/2017. The FAQs from Bulletin 2017-21 have been incorporated unchanged into the new bulletin, except for question No. 24, which was updated to reflect current AICPA Service Organization Control report information. Topics addressed in the new FAQs include: (1) the terms "third-party relationship" and "business arrangement;" (2) when cloud computing providers are in a third-party relationship with a bank; (3) when data aggregators are in a third-party relationship with a bank; (4) risk management when the bank has limited negotiating power in contractual arrangements; (5) critical activities and how a bank can determine the risks associated with third-party relationships; (6) bank management's responsibilities regarding a third party's subcontractors; (7) reliance on and use of third party-provided reports, certificates of compliance, and independent audits; (8) risk management when third party has limited ability to provide the same level of due diligence-related information as larger or more established third parties; (9) risk management when using a third-party model or when using a third party to assist with model risk management; (10) use of third-party assessment services in managing third-party relationship risks; (11) a board's approval of contracts; and (12) risk management when obtaining alternative data from a third party. The FAQs may be viewed at: <https://www.occ.gov/news-issuances/bulletins/2020/bulletin-2020-10.html>

▲ CFPB has released its annual report to Congress on the administration of the Fair Debt Collection Practices Act (FDCPA). The report highlights the continued efforts by CFPB and FTC to stop unlawful debt collection practices, including vigorous law enforcement, consumer education and public outreach, and policy initiatives. In the report, CFPB stated it handled approximately 75,200 debt collection complaints related to first-party (creditors collecting on their own debts) and third-party collections. Debt collection is among the most prevalent topics of consumer complaints about financial products or services received by CFPB. The report may be viewed at: <https://www.consumerfinance.gov/about-us/newsroom/cfpb-releases-2019-administration-fair-debt-collection-practices-act-report/>

▲ OCC has revised its Protecting Tenants at Foreclosure Act booklet of the *Comptroller's Handbook* to: summarize the requirements under the Act; discuss risks associated with bank's compliance with the Act; and to provide information and procedures regarding a bank's risk management and Act compliance. As a result of the revisions, OCC has rescinded: Bulletin 2011-15, Protecting Tenants at Foreclosure Act of 2009: Revised Examination Procedures and the Protecting Tenants at Foreclosure Act of 2009 booklet of the *Comptroller's Handbook* issued in May 2011. The revised booklet may be viewed at: <https://www.occ.gov/news-issuances/bulletins/2020/bulletin-2020-9.html>

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