

Compliance Journal

Special Focus

CFPB Proposes Seasoned QM Category

The Bureau of Consumer Financial Protection (CFPB) has proposed the creation of a new category of qualified mortgages (QM) named, Seasoned QM.

As a general matter, the Ability-to-Repay/Qualified Mortgage Rule (ATR Rule) requires a creditor to make a reasonable, good faith determination of a consumer's ability to repay a residential mortgage loan according to its terms. Loans that meet the ATR Rule requirements for QMs obtain certain protections from liability. CFPB stated it created the Seasoned QM category to complement existing QM definitions and to help ensure access to responsible, affordable mortgage credit—especially given the upcoming sunset of the temporary GSE QM category. CFPB also stated it seeks to encourage safe and responsible innovation in the mortgage origination market, including for certain loans that are not QMs or are only rebuttable presumption QMs under existing QM categories.

Under the proposed rule, a covered transaction would receive a safe harbor from ATR liability at the end of a 36-month seasoning period as a Seasoned QM if it satisfies certain product restrictions, points-and-fees limits, and underwriting requirements. The following is an overview of the restrictions and requirements of the proposed Seasoned QM.

Product Restrictions and Underwriting Requirements

A covered transaction must meet the following product restrictions to be eligible to become a Seasoned QM:

1. The loan is secured by a first lien;
2. The loan has a fixed rate, with fully amortizing payments, and no balloon payment;
3. The loan term does not exceed 30 years; and
4. The total points and fees do not exceed 3 percent of the loan amount.

For a loan to be eligible to become a Seasoned QM, the proposal requires that the bank consider the consumer's debt-to-income (DTI) ratio or residual income and verify the consumer's debt obligations and income. Similar to the existing Small Creditor QM category, the proposal does not specify a DTI limit. Additionally, the bank is not required to use Appendix Q to Regulation Z in calculating and verifying debt and income. The proposed commentary provides that a loan that complies with the consider and verify requirements of any other QM definition is deemed to comply with the consider and verify requirements of the Seasoned QM.

Portfolio Requirement

The proposed rule also sets forth a portfolio requirement for the new category. To be a Seasoned QM, the covered transaction cannot be subject, at consummation, to a commitment to be acquired by another person; and, legal title to the covered transaction cannot be sold, assigned, or otherwise transferred to another person before the end of the seasoning period. The proposal provides for two exemptions from this portfolio requirement in that the covered transaction may be sold, assigned, or otherwise transferred to another person pursuant to a capital restoration plan or prompt correction action, other action or instruction from a person acting as conservator, receiver, or bankruptcy trustee, or an order of the bank's state or federal regulator. The covered transaction may also be sold, assigned, or otherwise transferred pursuant to a merger or acquisition of the bank with another person.

The exemptions to the portfolio requirement apply not only to an initial sale, assignment, or other transfer by the originating creditor, but to subsequent sales, assignments, and other transfers as well. For example, assume Bank A originates a covered transaction that



is not a QM at origination. Six months after consummation, the covered transaction is transferred to Bank B pursuant to merger of the two banks. The transfer does not violate the portfolio requirements of the proposed rule because the transfer is as a result of a merger. If Bank B sells the covered transaction before the end of the seasoning period, the covered transaction is not eligible to season into a QM under the Seasoned QM rules unless the sale falls within one of the two listed exemptions.

As outlined, a covered transaction sold pursuant to a capital restoration plan under a prompt corrective action before the end of the seasoning period does not violate the proposed rule's portfolio requirements. However, if the bank simply chose to sell the same covered transaction as one way to comply with general regulatory capital requirements in the absence of supervisory action or agreement, then the covered transaction cannot become a QM as a Seasoned QM, though it could qualify under another definition of QM.

Seasoning Period

The "seasoning period" means a period of 36 months beginning on the date on which the first periodic payment is due after consummation of the covered transaction, except that if there is a delinquency of 30-days or more at the end of the 36th month of the seasoning period, the seasoning period does not end until there is no delinquency. The seasoning period also does not include any period during which the consumer is in a temporary payment accommodation extended in connection with a disaster or pandemic-related national emergency, provided that during or at the end of the temporary payment accommodation there is a qualifying change or the customer cures the loan's delinquency under its original terms.

If during or at the end of the temporary payment accommodation in connection with a disaster or pandemic-related national emergency there is a qualifying change or the consumer cures the loan's delinquency under its original terms, the seasoning period consists of the period from the date on which the first periodic payment was due after consummation of the covered transaction to the beginning of the temporary payment accommodation and an additional period immediately after the temporary payment accommodation ends, which together must equal at least 36 months.

The proposed rule defines a "qualifying change" to mean an agreement that: (a) is entered into during or after a temporary payment accommodation in connection with a disaster or pandemic-related national emergency and must end any pre-existing delinquency on the loan obligation when the agreement takes effect; (b) the amount of interest charged over the full term of the loan does not increase as a result of the agreement; (c) there is no fee charged in connection with the agreement; and (d) all existing late fees, penalties, stop payment fees, or similar charges are promptly waived upon the consumer's acceptance of the agreement.

A "temporary payment accommodation in connection with a disaster or pandemic-related national emergency" is defined to mean temporary payment relief granted to a consumer due to financial hardship caused directly or indirectly by a presidentially declared emergency or major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act or a presidentially declared pandemic-related national emergency under the National Emergencies Act. Examples of temporary payment accommodations in connection with a disaster or pandemic-related national emergency include, but are not limited to, a trial loan modification plan, a temporary payment forbearance program, or a temporary repayment plan.

Consumer Payment Performance Requirements

The proposed rule also requires certain payment performances by the consumer. To be a Seasoned QM, the covered transaction must have no more than two delinquencies of 30 or more days and no delinquencies of 60 or more days at the end of the seasoning period. "Delinquency" is defined in the proposed rule to mean the failure to make a periodic payment (in one full payment or in two or more partial payments) sufficient to cover principal, interest, and, if applicable, escrow by the date the periodic payment is due

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Wisconsin Bankers Association

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

Senior Writers

Heather MacKinnon
Scott Birrenkott

Editor

Ally Bates

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Special Focus

under the terms of the legal obligation. Other amounts, such as any late fees, are not considered for this purpose. The “due date” is the date the payment is due under the terms of the legal obligation, without regard to whether the consumer is afforded a period after the due date to pay before being assessed a late fee.

Further, a periodic payment is 30 days delinquent when it is not paid before the due date of the following scheduled periodic payment. A periodic payment is 60 days delinquent if the consumer is more than 30 days delinquent on the first of two sequential scheduled periodic payments and does not make both sequential scheduled payments before the due date of the next scheduled periodic payment after the two sequential scheduled periodic payments. For example, assume a loan is consummated on October 15, 2022, that the consumer’s periodic payment is due on the 1st of each month, and that the consumer timely made the first periodic payment due on December 1, 2022. For purposes of determining delinquency under the proposed rule, the consumer is 30 days delinquent if the consumer fails to make a payment (sufficient to cover the scheduled January 1, 2023 periodic payment of principal, interest, and, if applicable, escrow) before February 1, 2023. The consumer is 60 days delinquent if the consumer then fails to make two payments (sufficient to cover the scheduled January 1, 2023 and February 1, 2023 periodic payments of principal, interest, and, if applicable, escrow) before March 1, 2023.

For any given billing cycle for which a consumer’s payment is less than the periodic payment due, a consumer is not delinquent as defined in the proposed rule if: (a) the servicer chooses not to treat the payment as delinquent for purposes of RESPA, Regulation X, if applicable; (b) the payment is deficient by \$50 or less; and (c) there are not more than three such deficient payments treated as not delinquent during the seasoning period.

Conclusion

CFPB has proposed the creation of a Seasoned QM category as means to complement existing QM definitions and to help ensure access to responsible, affordable mortgage credit. A covered transaction would receive a safe harbor from ATR liability at the end of a 36-month seasoning period as a Seasoned QM if it satisfies certain product restrictions, points-and-fees limits, and underwriting requirements as outlined above.

CFPB has proposed that a final rule relating to the proposal would take effect on the same date as a final rule to amend the General QM definition. Comments regarding the proposed Seasoned QM category were initially due September 28, 2020; however, CFPB has since extended the comment period until October 1, 2020. WBA plans to file comments in general support of the proposal while offering several recommendations of change for CFPB to consider. [Click here to view the proposal.](#) ■

Regulatory Spotlight

Agencies Issue Final Rule to Implement Orderly Liquidation of Covered Broker-Dealer Provisions of Dodd-Frank Act.

The Federal Deposit Insurance Corporation (FDIC) and Securities and Exchange Commission (SEC) (collectively, the agencies) issued a final rule to implement provisions applicable to the orderly liquidation of covered brokers and dealers under Title II of the Dodd-Frank Act. Title II provides an alternative insolvency regime for the orderly liquidation of large financial companies that meet specified criteria. The final rule is effective **10/30/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-31/pdf/2020-16468.pdf>. *Federal Register*, Vol. 85, No. 169, 08/31/2020, 53645-53671.

Agencies Publish Semiannual Regulatory Agendas.

- The Bureau of Consumer Financial Protection (CFPB) published an agenda as part of the Spring 2020 Unified Agenda of Federal Regulatory and Deregulatory Actions. CFPB reasonably anticipates having the regulatory matters identified in the agenda under consideration during the period from **05/01/2020**, through **04/30/2021**. The next agenda will be published in fall 2020 and will update this agenda through fall 2021. The information in the agenda is current as of **03/05/2020**. The agenda may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-26/pdf/2020-16749.pdf>. *Federal Register*, Vol. 85, No. 166, 08/26/2020, 52809-52814.



Regulatory Spotlight

- The Board of Governors of the Federal Reserve System (FRB) issued an agenda under the Regulatory Flexibility Act and FRB's Statement of Policy Regarding Expanded Rulemaking Procedures. FRB anticipates having under consideration regulatory matters as indicated in the agenda during the period from **05/01/2020**, through **10/31/2020**. The next agenda will be published in fall 2020. Comments may be submitted any time during the next 6 months. The agenda may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-26/pdf/2020-16752.pdf>. *Federal Register*, Vol. 85, No. 166, 08/26/2020, 52851-52853.
- The Department of the Treasury (Treasury) issued its semiannual agenda of regulations. The agenda includes regulations that Treasury has issued or expects to issue and rules currently in effect that are in review. The agenda may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-26/pdf/2020-16761.pdf>. *Federal Register*, Vol. 85, No. 166, 08/26/2020, 52755-52757.
- The Small Business Administration (SBA) issued its semiannual regulatory agenda as a summary of current and projected regulatory and deregulatory actions and completed actions of SBA. SBA seeks comment on the agenda. The agenda may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-26/pdf/2020-17081.pdf>. *Federal Register*, Vol. 85, No. 166, 08/26/2020, 52783-52789.
- The Securities and Exchange Commission (SEC) published the Chairman's agenda of rulemaking actions pursuant to the Regulatory Flexibility Act. The items listed in the agenda reflect only the priorities of the SEC Chairman, and do not necessarily reflect the view and priorities of any individual Commissioner. Information in the agenda was accurate as of **03/31/2020**, the date on which SEC completed compilation of the data. To the extent possible, rulemaking actions by SEC since that date have been reflected in the agenda. SEC seeks comment regarding the agenda. Comments are due **09/25/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-26/pdf/2020-16750.pdf>. *Federal Register*, Vol. 85, No. 166, 08/26/2020, 52861-52870.
- The Commodity Futures Trading Commission (CFTC), in accordance with the requirements of the Regulatory Flexibility Act, published a semiannual agenda of rulemakings that it expects to propose or promulgate over the next year. CFTC welcomes comment on the agenda. The agenda may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-26/pdf/2020-16748.pdf>. *Federal Register*, Vol. 85, No. 166, 08/26/2020, 52805-52807.
- The Federal Communications Commission (FCC) issued its semiannual regulatory agenda. Twice a year, in spring and fall, FCC publishes in the *Federal Register* a list in the Unified Agenda of those major items and other significant proceedings under development or review that pertain to the Regulatory Flexibility Act. The agenda also provides the Code of Federal Regulations citations and legal authorities that govern the proceedings. The agenda may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-26/pdf/2020-16769.pdf>. *Federal Register*, Vol. 85, No. 166, 08/26/2020, 52821-52849.
- The Department of Labor (DOL) published its semiannual regulatory agenda. The agenda may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-26/pdf/2020-16759.pdf>. *Federal Register*, Vol. 85, No. 166, 08/26/2020, 52729-52735.

Agencies Extend Comment Period for Revised Flood Insurance Guidance.

The Board of Governors of the Federal Reserve System (FRB), Federal Deposit Insurance Corporation (FDIC), Office of the Comptroller of the Currency, (OCC), Farm Credit Administration (FCA), and National Credit Union Administration (NCUA) (collectively, the agencies) extended the comment period of a notice published in the *Federal Register* on **07/06/2020**, regarding the proposal to reorganize, revise, and expand the Interagency Questions and Answers Regarding Flood Insurance. The notice provided for a comment period ending **09/04/2020**. The agencies have determined that an extension of the comment period is appropriate. The extension will allow parties additional time to analyze the proposal and prepare and submit comments. Comments are now due **11/03/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-03/pdf/2020-19575.pdf>. *Federal Register*, Vol. 85, No. 172, 09/03/2020, 54946.

CFPB Publishes Final Rule that Adjusts Annual Regulation Z Thresholds.

The Bureau of Consumer Financial Protection (CFPB) published a final rule which amends regulation text and official interpretations for Regulation Z, which implements the Truth in Lending Act (TILA). CFPB is required to calculate annually the dollar amounts for several provisions in Regulation Z. The final rule revises, as applicable, the dollar amounts for provisions that implement TILA and amendments to TILA, including under the Credit Card Accountability Responsibility and Disclosure Act (CARD Act), Home Ownership and Equity Protection Act (HOEPA), and the Dodd-Frank Act. The final rule is effective **01/01/2021**. The published final rule



Regulatory Spotlight

may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-19/pdf/2020-15900.pdf>. *Federal Register*, Vol. 85, No. 161, 08/19/2020, 50944-50950.

CFPB Publishes *Supervisory Highlights* in *Federal Register*.

CFPB published its Summer 2020 edition of *Supervisory Highlights* in the *Federal Register*. The edition is the twenty second edition. The summer edition reports examination findings in the areas of consumer reporting, debt collection, deposits, fair lending, and mortgage servicing that were completed between September 2019 and December 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 those examinations. CFPB released the summer edition on its website **09/07/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-10/pdf/2020-19978.pdf>. *Federal Register*, Vol. 85, No. 176, 09/10/2020, 55828-55840.

CFPB Issues Proposed Rule Regarding CARD Act Rules and the Consumer Credit Card Market.

CFPB issued a proposed rule regarding the Credit Card Accountability Responsibility and Disclosure Act (CARD Act). CFPB seeks comment on the economic impact of the CARD Act rules on small entities so that it can determine whether the rules should be continued without change, whether the rules should be amended or rescinded, consistent with the stated objectives of applicable statutes, to minimize any significant economic impact of the rules upon a substantial number of such small entities. CFPB is also conducting a review of the consumer credit card market, within the limits of its existing resources available for reporting purposes, pursuant to the CARD Act. Comments are due **10/27/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-28/pdf/2020-19112.pdf>. *Federal Register*, Vol. 85, No. 168, 08/28/2020, 53299-53306.

CFPB Issues Proposed Rule to Create Seasoned QM.

CFPB issued a proposed rule to create a new category of qualified mortgages (QMs). With certain exceptions, Regulation Z requires creditors to make a reasonable, good faith determination of a consumer's ability to repay any residential mortgage loan. Loans that meet Regulation Z's requirements for QMs obtain certain protections from liability. Regulation Z contains several categories of QMs, including the General QM category and a temporary category (Temporary GSE QM loans) of loans that are eligible for purchase or guarantee by government-sponsored enterprises (GSEs) while they are operating under the conservatorship or receivership of the Federal Housing Finance Agency (FHFA). The proposal would create a new category of QM (Seasoned QMs) for first-lien, fixed-rate covered transactions that have met certain performance requirements over a 36-month seasoning period, are held in portfolio until the end of the seasoning period, comply with general restrictions on product features and points and fees, and meet certain underwriting requirements. Comments are due **09/28/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-28/pdf/2020-18490.pdf>. *Federal Register*, Vol. 85, No. 168, 08/28/2020, 53568-53604.

CFPB Seeks Comment on Making Ends Meet Survey.

CFPB seeks comment regarding a revised collection entitled, Making Ends Meet Survey. The survey solicits information on consumers' experiences related to household financial shocks, particularly shocks related to the economic effects of the COVID-19 pandemic, how households respond to those shocks, and the role of savings to help provide a financial buffer. CFPB mailed one round of the survey in May 2019 and a second round in May 2020. The revised survey will have two purposes, to: (1) follow-up to respondents from the May 2019 survey, and (2) sample new consumers from the Consumer Credit Panel to help balance attrition from the follow-up and provide additional information specifically related to savings behaviors. Comments are due **09/24/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-25/pdf/2020-18644.pdf>. *Federal Register*, Vol. 85, No. 165, 08/25/2020, 52333.

CFPB Extends Comment Period for ECOA and Regulation B Collection.

CFPB extended the comment period for an information collection related to Regulation B. On **08/03/2020**, CFPB published in the *Federal Register* a request for information to identify opportunities to prevent credit discrimination, encourage responsible innovation, promote fair, equitable, and nondiscriminatory access to credit, address potential regulatory uncertainty, and develop viable solutions to regulatory compliance challenges under the Equal Credit Opportunity Act (ECOA) and Regulation B. The notice provided a 60-day comment period that was set to close on **10/02/2020**. To allow more time to consider and submit comments, CFPB has extended the comment period until **12/01/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-25/pdf/2020-18557.pdf>. *Federal Register*, Vol. 85, No. 165, 08/25/2020, 52332-52333.



Regulatory Spotlight

FRB Issues Service Details on Actions to Support Interbank Settlement of Instant Payments.

The Board of Governors of the Federal Reserve System (FRB) issued a service announcement that it has approved the FedNowSM Service, which is a new interbank 24x7x365 real-time gross settlement service with clearing functionality to support instant payments in the United States. The new service will support banks' provision of end-to-end instant payment services and will provide an infrastructure to promote ubiquitous, safe, and efficient instant payments in the United States. Please see the notice for more details regarding the new service. The notice is effective **09/10/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-11/pdf/2020-17539.pdf>. *Federal Register*, Vol. 85, No. 155, 08/11/2020, 48522-48538.

FRB Seeks Comment on Revisions to Several Reports of Deposits.

FRB seeks comments on revisions to mandatory Reports of Deposits, in particular: Report of Transaction Accounts, Other Deposits, and Vault Cash, FR 2900; Annual Report of Deposits and Reservable Liabilities, FR 2910a; Report of Foreign (Non-U.S.) Currency Deposits, FR 2915; and Allocation of Low Reserve Tranche and Reservable Liabilities Exemption, FR 2930. Data from the reports are used by FRB for administering reserve requirements and for constructing, analyzing, and monitoring the monetary aggregates. FRB has proposed to take steps to reduce reporting burdens associated with reserve requirements by discontinuing the collection of the FR 2910a and FR 2930, ceasing the quarterly collection of the FR 2900, and refocusing items on the weekly collection of the FR 2900 and the FR 2915 to those that support the construction and analysis of the monetary aggregates. Comments are due **11/02/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-02/pdf/2020-19335.pdf>. *Federal Register*, Vol. 85, No. 171, 09/02/2020, 54577-54578.

FDIC Incorporates Statement of Policy Regarding Requests for Participation in the Affairs of an Insured Depository Institution by Convicted Individuals into Regulation.

The Federal Deposit Insurance Corporation (FDIC) issued a final rule to incorporate an existing Statement of Policy (SOP) regarding requests for participation in the affairs of an insured depository institution (IDIs) by convicted individuals. Section 19 of the Federal Deposit Insurance Act requires persons convicted of certain criminal offenses to obtain prior written consent before participating in the conduct of the affairs of any depository institution. FDIC has revised its existing regulations related to Section 19 to revise its procedures and standards related to applications for FDIC's written consent, and to incorporate and revise FDIC's existing SOP for Section 19. Incorporating the SOP into FDIC's regulations will make application of the SOP more transparent, increase certainty concerning FDIC's application process, afford regulatory relief, and help both IDIs and affected individuals to understand the impact of Section 19 and to potentially seek relief from it. The final rule is effective **09/21/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-20/pdf/2020-16464.pdf>. *Federal Register*, Vol. 85, No. 162, 08/20/2020, 51312-51324.

FDIC Announces Intent to Terminate Receiverships.

FDIC has given notice that it intends, as Receiver for the institutions listed in the notice, to terminate its receivership for the listed institutions. The liquidation of the assets for each receivership has been completed. To the extent permitted by available funds and in accordance with law, the Receiver will be making a final dividend payment to proven creditors. Based upon the foregoing, the Receiver has determined that the continued existence of the receiverships will serve no useful purpose. Consequently, notice is given that the receiverships shall be terminated, to be effective no sooner than thirty days after the date of the notice. If any person wishes to comment concerning the termination of any of the receiverships, such comment must be made in writing, identify the receivership to which the comment pertains, and be sent within thirty days of the date of the notice to: Federal Deposit Insurance Corporation, Division of Resolutions and Receiverships, Attention: Receivership Oversight Department 34.6, 1601 Bryan Street, Dallas, TX 75201. No comments concerning the termination of the receiverships will be considered which are not sent within this time frame. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-04/pdf/2020-19630.pdf>. *Federal Register*, Vol. 85, No. 173, 09/04/2020, 55288-55289.

FDIC Terminates Receiverships.

FDIC, as Receiver for the insured depository institutions identified in the notice, announces termination of receiverships. As Receiver, FDIC was charged with the duty of winding up the affairs of the former institutions and liquidating all related assets. The Receiver has fulfilled its obligations and made all dividend distributions required by law. The Receiver has further irrevocably authorized and appointed FDIC Corporate as its attorney-in-fact to execute and file any and all documents that may be required to be executed by the



Regulatory Spotlight

Receiver which FDIC-Corporate, in its sole discretion, deems necessary, including but not limited to releases, discharges, satisfactions, endorsements, assignments, and deeds. Effective on the termination dates listed in the notice, the Receiverships have been terminated, the Receiver has been discharged, and the Receiverships have ceased to exist as legal entities. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-09/pdf/2020-19863.pdf>. *Federal Register*, Vol. 85, No. 175, 09/09/2020, 55676.

FDIC Proposes Amendments to Appeals of Material Supervisory Determinations.

FDIC seeks comment on proposed amendments to its Guidelines for Appeals of Material Supervisory Determinations, to establish an independent office that would generally replace the existing Supervision Appeals Review Committee (SARC) and to modify the procedures and timeframes for considering formal enforcement-related decisions through the supervisory appeals process. Comments are due **10/20/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-01/pdf/2020-19276.pdf>. *Federal Register*, Vol. 85, No. 170, 09/01/2020, 54377-54383.

OCC Issues Interim Final Rule Regarding Notice Requirements in Connection with Collective Investment Fund.

The Office of the Comptroller of the Currency (OCC) issued an interim final rule regarding notice requirements in connection with a collective investment fund (CIF), which is a bank-managed fiduciary fund that holds pooled assets. A national bank or federal savings association (collectively, a bank) that establishes and operates a CIF must do so in accordance with the criteria established under OCC fiduciary activities regulation at 12 CFR 9.18. OCC regulations permit a bank administering a CIF that is invested primarily in real estate or other assets that are not readily marketable to require a prior notice period, not to exceed one year, for withdrawals from the fund. OCC interprets the notice provision as requiring the bank to withdraw an account within the prior notice period or, if permissible under the CIF's written plan, within one year after prior notice was required (standard withdrawal period). OCC issued the interim final rule to codify the standard withdrawal period and create a limited exception that allows a bank, with OCC approval, to withdraw an account from the CIF up to one year beyond the standard withdrawal period, with opportunities for further extensions, provided that certain conditions are satisfied. The exception is intended to enable a bank to preserve the value of the CIF's assets for the benefit of fund participants during unanticipated and severe market conditions, such as those resulting from the current national health emergency concerning the coronavirus disease (COVID-19) outbreak. The interim final rule is effective **08/13/2020**. Comments are due **09/14/2020**. The interim final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-13/pdf/2020-17322.pdf>. *Federal Register*, Vol. 85, No. 157, 08/13/2020, 49229-49233.

HUD Announces Regulatory Waiver Requests Recently Granted.

The Department of Housing and Urban Development (HUD) issued a notice of the regulatory waiver requests it recently granted. Section 106 of the Department of Housing and Urban Development Reform Act requires HUD to publish quarterly *Federal Register* notices of all regulatory waivers that HUD has approved. Each notice covers the quarterly period since the previous notice. The notice contains a list of regulatory waivers granted by HUD during the period beginning **01/01/2020**, and ending **03/31/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-12/pdf/2020-17658.pdf>. *Federal Register*, Vol. 85, No. 156, 08/12/2020, 48714-48723.

HUD Describes Program Rules, Waivers, and Alternative Requirements Under CARES Act.

HUD published a notice that describes program rules, statutory and regulatory waivers, and alternative requirements applicable to supplemental Community Development Block Grant (CDBG) funds made available to prevent, prepare for, and respond to coronavirus and the annual formula CDBG grants awarded in fiscal years 2019 and 2020. The notice also describes conforming waivers and alternative requirements for other formula programs included in the consolidated planning regulations in 24 CFR part 91. The notice is applicable **08/07/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-20/pdf/2020-18242.pdf>. *Federal Register*, Vol. 85, No. 162, 08/20/2020, 51457-51475.

HUD Announces FY 2021 Section 108 Loan Fee.

HUD announced the Fiscal Year (FY) 2021 fee it will collect from borrowers of loans guaranteed under the Section 108 Loan Guarantee Program (Section 108 Program). HUD set the fee for Section 108 loan disbursements under loan guarantee commitments awarded for FY 2021 at 2.15 percent of the principal amount of the loan. HUD has not changed the underlying assumptions nor created new



Regulatory Spotlight

considerations for borrowers. The calculation of the FY 2021 fee uses a similar calculation model as the FY 2016 through and FY 2020 fee notifications, but has incorporated updated information regarding the composition of the Section 108 portfolio and the timing of the estimated future cash flows for defaults and recoveries. The calculation of the fee is also affected by the discount rates required to be used by HUD when calculating the present value of the future cash flows as part of the federal budget process. The fee is applicable **10/01/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-26/pdf/2020-18392.pdf>. *Federal Register*, Vol. 85, No. 166, 08/26/2020, 52479-52481.

HUD Seeks Comment on Revision to Existing FHA Mortgage Loan Servicing Information Collection.

HUD seeks comment on revision to an existing information collection entitled, Federal Housing Administration (FHA) Insured Mortgage Loan Servicing of Payments, Prepayments, Terminations, Assumptions, and Transfers. FHA insurance is an important source of mortgage credit for low- and moderate-income borrowers. It is essential that FHA maintain a healthy mortgage insurance fund through premiums charged to the borrower by FHA. Providing policy and guidance to the single-family housing mortgage industry regarding changes in FHA's program is essential to protect the fund. Information requested is to provide information to support HUD's policy and guidance. Comments are due **09/21/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-21/pdf/2020-18378.pdf>. *Federal Register*, Vol. 85, No. 162, 51750-51751.

FEMA Issues Final Flood Hazard Determinations.

- The Federal Emergency Management Agency (FEMA) issued a final notice which identifies communities in the states of **Iowa** and **Wisconsin**, where flood hazard determinations, which may include additions or modifications of Base Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, or regulatory floodways on the Flood Insurance Rate Maps (FIRMs) and where applicable, in the supporting Flood Insurance Study (FIS) reports have been made final. The FIRM and FIS reports are the basis of the floodplain management measures that a community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in FEMA's National Flood Insurance Program (NFIP). The final notice is effective **12/17/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-21/pdf/2020-18419.pdf>. *Federal Register*, Vol. 85, No. 163, 08/21/2020, 51735-51737.
- FEMA issued a final notice which identifies communities in the states of **Iowa**, **Michigan**, and **Wisconsin**, where flood hazard determinations, which may include additions or modifications of Base Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, or regulatory floodways on the Flood Insurance Rate Maps (FIRMs) and where applicable, in the supporting Flood Insurance Study (FIS) reports have been made final. The FIRM and FIS reports are the basis of the floodplain management measures that a community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in FEMA's National Flood Insurance Program (NFIP). The final notice is effective **12/30/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-21/pdf/2020-18420.pdf>. *Federal Register*, Vol. 85, No. 163, 08/21/2020, 51727-51729.
- FEMA has issued a final notice which identifies communities in the state of **Iowa** where flood hazard determinations, which may include additions or modifications of Base Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, or regulatory floodways on the Flood Insurance Rate Maps (FIRMs) and where applicable, in the supporting Flood Insurance Study (FIS) reports have been made final. The FIRM and FIS reports are the basis of the floodplain management measures that a community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in FEMA's National Flood Insurance Program (NFIP). The final notice is effective **01/15/2021**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-31/pdf/2020-19063.pdf>. *Federal Register*, Vol. 85, No. 169, 08/31/2020, 53838-53840.

FEMA Issues Notices of Changes in Flood Hazard Determinations.

- FEMA issued a notice which lists communities in the state of **Michigan** where new or modified 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. From the date of the



Regulatory Spotlight

second publication of notification of these changes in a newspaper of local circulation, any person has 90 days in which to request through the community that the Deputy Associate Administrator for Insurance and Mitigation reconsider the changes. The flood hazard determination information may be changed during the 90-day period. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-21/pdf/2020-18415.pdf>. *Federal Register*, Vol. 85, No. 163, 08/21/2020, 31732-51734.

- FEMA issued a notice which lists communities in the states of **Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin**, where new or modified 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. From the date of the second publication of notification of these changes in a newspaper of local circulation, any person has 90 days in which to request through the community that the Deputy Associate Administrator for Insurance and Mitigation reconsider the changes. The flood hazard determination information may be changed during the 90-day period. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-21/pdf/2020-18423.pdf>. *Federal Register*, Vol. 85, No. 163, 08/21/2020, 51737-51742.
- FEMA issued a notice which lists communities in the state of **Michigan** where new or modified 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. From the date of the second publication of notification of these changes in a newspaper of local circulation, any person has 90 days in which to request through the community that the Deputy Associate Administrator for Insurance and Mitigation reconsider the changes. The flood hazard determination information may be changed during the 90-day period. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-21/pdf/2020-18424.pdf>. *Federal Register*, Vol. 85, No. 163, 08/21/2020, 51744-51747.

FEMA Issues Proposed 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 **Iowa**, 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 **11/19/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-21/pdf/2020-18416.pdf>. *Federal Register*, Vol. 85, No. 163, 08/21/2020, 51743-51744.

FEMA Issues Proposed Rule to Amend Hazard Mitigation Assistance Program Regulations.

FEMA issued a proposed rule to amend its Hazard Mitigation Assistance (HMA) program regulations to reflect current statutory authority and agency practice. FEMA's HMA program regulations consist of the Flood Mitigation Assistance (FMA) Grant Program, Hazard Mitigation Grant Program (HMGP), financial assistance for property acquisition and relocation of open space, and mitigation planning program regulations. FEMA proposes to revise the FMA grant program regulations to incorporate changes made by amendments to the National Flood Insurance Act. FEMA also proposes to update terms and definitions throughout HMA and the mitigation planning program regulations to better align with uniform administrative requirements that apply to all federal assistance. Comments are due **10/27/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-28/pdf/2020-16004.pdf>. *Federal Register*, Vol. 85, No. 168, 08/28/2020, 53474-53514.

FEMA Issues Proposed Rule to Amend DRRA and Revise Public Assistance Appeal Regulations.

FEMA issued a proposed rule to implement the new right of arbitration authorized by the Disaster Recovery Reform Act (DRRA), and to revise its regulations regarding first and second Public Assistance (PA) appeals. FEMA proposes to revise its current PA appeals reg-



Regulatory Spotlight

ulation to add in the new right to arbitration under DRRA, in conjunction with some revisions to the current appeals process. DRRA adds arbitration as a permanent alternative to a second appeal under the PA Program. Additionally, applicants that have had a first appeal pending with FEMA for more than 180 calendar days may withdraw such appeal and submit a request for arbitration. The other major proposed revisions include: (1) adding definitions; (2) adding subparagraphs to clarify what actions FEMA may take and will not take while an appeal is pending and state that FEMA may issue separate guidance as necessary; (3) adding a finality of decision paragraph; (4) requiring electronic submission for appeals and arbitrations documents; and (5) clarifying overall time limits for first and second appeals. Comments are due **10/30/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-31/pdf/2020-16040.pdf>. *Federal Register*, Vol. 85, No. 169, 08/31/2020, 53725-53748.

IRS Issues Final Rule on Treatment of Payments to Charitable Entities in Return for Consideration.

The Internal Revenue Service (IRS) issued a final rule under sections 162, 164, and 170 of the Internal Revenue Code. First, the final rule updates the regulations under section 162 to reflect current law regarding the application of section 162 to taxpayers that make payments or transfers for business purposes to entities described in section 170(c). Second, the final rule provides safe harbors under section 162 to provide certainty with respect to the treatment of payments made by business entities to entities described in section 170(c). Third, the final rule provides a safe harbor under section 164 for payments made to an entity described in section 170(c) by individuals who itemize deductions and receive or expect to receive a state or local tax credit in return. Fourth, the final rule updates the regulations under section 170 to reflect past guidance and case law regarding the application of the quid pro quo principle under section 170 to a donor who receives or expects to receive benefits from a third party. The final rule is effective **08/11/2020**. See the final rule for dates of applicability. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-11/pdf/2020-17393.pdf>. *Federal Register*, Vol. 85, No. 155, 08/11/2020, 48467-48474.

IRS Issues Proposed Guidance Under Section 1061 Regarding Certain Capital Gains.

IRS issued a proposed rule to provide guidance under section 1061 of the Internal Revenue Code (Code). Section 1061 recharacterizes certain net long-term capital gains of a partner that holds one or more applicable partnership interests as short-term capital gains. An applicable partnership interest is an interest in a partnership that is transferred to or held by a taxpayer, directly or indirectly, in connection with the performance of substantial services by the taxpayer, or any other related person, in any applicable trade or business. The proposed rule also amends existing regulations on holding periods to clarify the holding period of a partner's interest in a partnership that includes in whole or in part an applicable partnership interest and/or a profits interest. Comments are due **10/05/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-14/pdf/2020-17108.pdf>. *Federal Register*, Vol. 85, No. 158, 08/14/2020, 49754-49795.

IRS Issues Proposed Rule for Rollovers of Qualified Plan Loan Offset Amounts.

IRS issued a proposed rule that relates to amendments made to section 402(c) of the Internal Revenue Code (Code) by section 13613 of the Tax Cuts and Jobs Act (TCJA). Section 13613 of TCJA provides an extended rollover period for a qualified plan loan offset, which is a type of plan loan offset. Comments are due **10/05/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-20/pdf/2020-16564.pdf>. *Federal Register*, Vol. 85, No. 162, 08/20/2020, 51369-51374.

IRS Corrects Guidance on Carryback of Consolidated Net Operating Losses.

IRS issued a correction to guidance that was published in the *Federal Register* on **07/08/2020**. The guidance permits consolidated groups that acquire new members that were members of another consolidated group to elect in a year of acquisition to waive all or part of the pre-acquisition portion of an extended carryback period under section 172 of the Internal Revenue Code for certain losses attributable to the acquired members if there is a retroactive statutory extension of the NOL carryback period under section 172. Please see the correction for the specific changes. The correction is effective **08/28/2020**. The correction may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-28/pdf/2020-16985.pdf>. *Federal Register*, Vol. 85, No. 168, 08/28/2020, 53162-53163.

IRS Seeks Comment on Revision to the Annual Return/Report of Employee Benefit Plan.

IRS seeks comment concerning the Annual Return/Report of Employee Benefit Plan which is an annual information return filed by employee benefit plans. IRS uses the information for a variety of matters, including ascertainment whether a qualified retirement plan appears to conform to requirements under the Internal Revenue Code or whether the plan should be audited for compliance. Please see



Regulatory Spotlight

the chart in the notice for a listing of the specific revisions. Comments are due **11/02/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-03/pdf/2020-19449.pdf>. *Federal Register*, Vol. 85, No. 172, 09/03/2020, 55077-55078.

OFAC Makes Technical Amendment to CMP Rule.

The Office of Foreign Assets Control (OFAC) issued a final rule to make technical amendments to the definition of “applicable schedule amount” in its regulations. In recent years, OFAC has adjusted its civil monetary penalties (CMPs) as required by the Federal Civil Penalties Inflation Adjustment Act, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act. While OFAC’s “applicable schedule amount” values are not CMPs that are required to be adjusted pursuant to such statute, OFAC has made technical changes to the definition to ensure the applicable schedule amount values continue to correspond appropriately to OFAC’s CMPs. The final rule is effective **08/11/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-11/pdf/2020-17424.pdf>. *Federal Register*, Vol. 85, No. 155, 08/11/2020, 48474-48475.

FinCEN Seeks Comment on Renewal of Existing BSA Information Collections.

- The Financial Crimes Enforcement Network (FinCEN) seeks comment on the renewal of an existing information collection found in existing Bank Secrecy Act (BSA) regulations which requires money services businesses, mutual funds, insurance companies, dealers in precious metals, precious stones, or jewels, operators of credit card systems, and loan or finance companies to develop and implement written anti-money laundering programs reasonably designed to prevent those financial institutions from being used to facilitate money laundering and the financing of terrorist activities. Although no changes are proposed for the information collection, the request for comment covers a future expansion of the scope of the annual burden and cost estimates associated with the regulations. Comments are due **10/13/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-13/pdf/2020-17696.pdf>. *Federal Register*, Vol. 85, No. 157, 08/13/2020, 49418-49425.
- FinCEN seeks comment on the renewal of an existing information collection found in existing Bank Secrecy Act (BSA) regulations which requires banks, savings associations, credit unions, certain non-federally regulated banks, brokers or dealers in securities, mutual funds, futures commission merchants, and introducing brokers in commodities, to develop and implement customer identification programs designed to allow the financial institution to form a reasonable belief it knows the true identity of each customer. Although no changes are proposed for the information collection, the request for comment covers a future expansion of the scope of the annual burden and cost estimates associated with the regulations. Comments are due **10/13/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-13/pdf/2020-17694.pdf>. *Federal Register*, Vol. 85, No. 157, 08/13/2020, 49425-49431.

FHFA Proposes Benchmark Levels for Enterprise 2021 Housing Goals.

The Federal Housing Finance Agency (FHFA) has proposed benchmark levels for the 2021 housing goals for Fannie Mae and Freddie Mac (collectively, the Enterprises). The housing goals apply to mortgages purchased by the Enterprises and include separate categories for single-family and multifamily housing that is affordable to low-income and very low-income families, among other categories. Comments are due **10/13/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-13/pdf/2020-15959.pdf>. *Federal Register*, Vol. 85, No. 157, 08/13/2020, 49312-49322.

Agencies Announce Implementation of Certain Provisions of Consolidated Appropriations Act.

The Rural Business Cooperative (RBC), Rural Housing Service (RHS), and Rural Utilities Service (RUS) (collectively, the agencies) announced implementation of certain provisions published in the 2020 Further Consolidated Appropriations Act related to persistent poverty counties served by the agencies. The term “persistent poverty counties” means any county that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial census and 2007-2011 American Community Survey 5-year average, or any territory or possession of the United States. The notice announces the implementation of allocation of funds, population limits, and non-discrimination statement. The notice is applicable **08/21/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-21/pdf/2020-18395.pdf>. *Federal Register*, Vol. 85, No. 163, 08/21/2020, 51676-51677.



Regulatory Spotlight

Agencies Announce Fees and Guarantee Percentages for Several Loan Programs.

The Rural Business Cooperative (RBC), Rural Housing Service (RHS), and Rural Utilities Service (RUS) (collectively, the agencies) offer loan guarantees through four programs: Community Facilities administered by RHS; Water and Waste Disposal administered by RUS; and Business and Industry and Rural Energy for America Program administered by RBC. The agencies have announced the guarantee fee rates, guarantee percent for guaranteed loans, the periodic retention fee, and fee for issuance of the loan note guarantee prior to construction completion for FY 2021, to be used when applying for guarantee loans under the mentioned guarantee loan types. The fees identified in the notice are effective **10/01/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-01/pdf/2020-19288.pdf>. *Federal Register*, Vol. 85, No. 170, 09/01/2020, 54343-54344.

FCA Issues Final Rule Regarding Criteria to Reinstate Non-Accrual Loans.

The Farm Credit Administration (FCA) issued a final rule to amend regulations that govern how high-risk loans within the Farm Credit System are classified by clarifying the factors used to place loans in nonaccrual status and revising reinstatement criteria. The final rule objectives are to: enhance the usefulness of high-risk loan categories, replace the subjective measure of “reasonable doubt” used for reinstating loan to accrual status with a measurable standard, improve the timely recognition of a change in a loan’s status, update existing terminology, and make other grammatical changes. The final rule is effective no earlier than 30 days after publication in the *Federal Register* during which either or both Houses of Congress are in session. FCA will publish a notice of the effective date in the *Federal Register*. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-25/pdf/2020-16135.pdf>. *Federal Register*, Vol. 85, No. 165, 08/25/2020, 52248-52254.

FCA Issues Proposed Rule to Amend Regulatory Capital Requirements for Farm Credit System Institutions.

FCA seeks comments on a proposed rule that would amend regulatory capital requirements for Farm Credit System institutions and clarify certain provisions in the Tier 1/Tier 2 Framework final rule that became effective in 2017. The proposed rule would incorporate, and further clarify, the guidance provided in FCA Bookletter: BL-068-Tier 1/Tier 2 Capital Framework Guidance. The proposal would also eliminate regulatory capital requirements for the Farm Credit Services Leasing Corporation, simplify the Safe Harbor Deemed Prior Approval calculation, revise the board resolution requirement for certain equities to be included in tier 1 or tier 2 capital, and amend the lending and leasing limit base to use total capital instead of permanent capital and eliminate the exceptional treatment of certain purchased stock. To maintain comparability in FCA regulatory capital requirements, FCA has proposed to amend certain definitions pertaining to qualified financial contracts in conformity with changes adopted by the federal banking regulatory agencies. Comments are due **11/09/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-10/pdf/2020-16052.pdf>. *Federal Register*, Vol. 85, No. 176, 09/10/2020, 55786-55801.

FCA Issues Correction to Recently Published Swap Margin Rule.

FCA issued a correction to a previously published rule. On **07/01/2020**, FCA, along with the Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (FRB), Federal Deposit Insurance Corporation (FDIC), and Federal Housing Finance Agency (FHFA) (collectively, the agencies) published an interim final rule to amend regulations that require swap dealers, security-based swap dealers, major swap participants, and major security-based swap participants under the agencies’ respective jurisdictions to exchange margin with their counterparties for swaps that are not centrally cleared (Swap Margin Rule). The Regulatory Identification Number (RIN) for FCA was incorrect in the July publication. This document corrects that error. The correction is effective **09/01/2020**. The correction may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-01/pdf/2020-19236.pdf>. *Federal Register*, Vol. 85, No. 170, 09/01/2020, 54233.

FCA Seeks Comment on Revisions to Existing Systems of Records.

- FCA seeks comment on amendments to an existing system of records, FCA-13: Correspondence Files-FCA. The system is used to track incoming and outgoing correspondence and to draft correspondence and other memoranda. FCA is updating the system to include more details in the categories of individuals and categories of records in the system, and to make administrative updates and non-substantive changes to conform to template requirements prescribed in OMB Circular No. A-108. FCA filed an amended system report with OMB. Comments are due **09/14/2020**. The notice is effective **09/22/2020**, unless modified by a subsequent notice to incorporate comments received. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-13/>



Regulatory Spotlight

[pdf/2020-17737.pdf](#). *Federal Register*, Vol. 85, No. 187, 08/13/2020, 49369-49371.

- FCA seeks comment on amendments to an existing system of records, FCA-11: Litigation and Administrative Adjudication Files-FCA. The system is used to track litigation matters and to draft legal opinions and litigation reports. FCA is updated the notice to make administrative updates and non-substantive changes to conform to template requirements prescribed in the OMB Circular No. A-108. The substantive changes include: identifying the records in the system as unclassified, revising the safeguards section to reflect updated cybersecurity guidance and practices, updating the purpose of the system, and updating the categories of records in the system. Comments are due **09/25/2020**. The notice is effective **10/05/2020**, unless modified by a subsequent notice to incorporate comments received. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-26/pdf/2020-18706.pdf>. *Federal Register*, Vol. 85, No. 166, 08/26/2020, 52602-52603.

CCC Issues Final Rule on Payment Limitation and Payment Eligibility.

The Commodity Credit Corporation (CCC) issued a final rule to implement the mandatory changes required by the Agriculture Improvement Act of 2018 (2018 Farm Bill) and other changes made by the Farm Service Agency (FSA). Specifically, the mandatory changes update program applicability and payment limitations, and specify that CCC may approve a waiver of the average adjusted gross income (AGI) limitation for participants of certain conservation contracts administered by FSA and the Natural Resources Conservation Service on environmentally sensitive land. Also, the mandatory changes expand the definition of “family member” to include first cousins, nieces, and nephews. The final rule also includes changes that make minor clarifications and updates throughout part 1400. The final rule is effective **08/20/2020**. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-24/pdf/2020-18148.pdf>. *Federal Register*, Vol. 85, No. 164, 08/24/2020, 52033-52041.

SBA Publishes PPP Interim Final Rules in *Federal Register*.

- The Small Business Administration (SBA) published an interim final rule regarding loan review decisions under the Paycheck Protection Program (PPP). This interim final rule supplements the interim final rule on loan review procedures and related borrower and lender responsibilities posted on SBA’s website on **05/22/2020**, as revised by the interim final rule posted on SBA’s website on **06/22/2020**, in order to inform PPP borrowers and lenders of the process for a PPP borrower to appeal certain SBA loan review decisions to the SBA Office of Hearings and Appeals. The interim final rule is effective **08/25/2020**. Comments are due **09/28/2020**. The interim final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-27/pdf/2020-17895.pdf>. *Federal Register*, Vol. 85, No. 167, 08/27/2020, 52883-52890.
- SBA published an interim final rule regarding the treatment of owners and forgiveness of certain nonpayroll costs under the Paycheck Protection Program (PPP). This interim final rule supplements the previously posted interim final rules by providing additional guidance. The interim final rule is effective **08/25/2020**. Comments are due **09/28/2020**. The interim final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-27/pdf/2020-18940.pdf>. *Federal Register*, Vol. 85, No. 167, 08/27/2020, 52881-52883.

SBA Publishes FY 2020 Fourth Quarter Military Reservist Economic Injury Disaster Loan Interest Rate.

SBA publishes a quarterly interest rate for Military Reservist Economic Injury Disaster Loans. The fiscal year (FY) 2020 fourth quarter interest rate will be 3.000 for loans approved on or after **07/31/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-19/pdf/2020-18171.pdf>. *Federal Register*, Vol. 85, No. 161, 08/19/2020, 51138.

SEC Issues Final Rule to Amend Financial Disclosures About Acquired and Disposed Businesses.

The Securities and Exchange Commission (SEC) issued a final rule to adopt amendments to rules and forms to improve their application, assist registrants in making more meaningful determinations of whether a subsidiary or an acquired or disposed business is significant, and to improve the disclosure requirements for financial statements relating to acquisitions and dispositions of businesses, including real estate operations and investment companies. The changes are intended to improve for investors the financial information about acquired or disposed businesses, facilitate more timely access to capital, and reduce the complexity and costs to prepare the disclosure. The final rule is effective **01/01/2021**. See section II.F. of the final rule for information on transitioning to the final rule. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-31/pdf/2020-11479.pdf>. *Federal Register*, Vol. 85, No. 169, 08/31/2020, 54002-54074.



Regulatory Spotlight

SEC Issues Final Rule and Guidance Regarding Proxy Solicitations.

- SEC issued a final rule to adopt amendments to its rules governing proxy solicitations so that investors who use proxy voting advice receive more transparent, accurate, and complete information on which to make their voting decisions, without imposing undue costs or delays that could adversely affect the timely provision of proxy voting advice. The amendments add conditions to the availability of certain existing exemptions from the information and filing requirements of the federal proxy rules that are commonly used by proxy voting advice businesses. These conditions require compliance with disclosure and procedural requirements, including conflicts of interest disclosures by proxy voting advice businesses and two principles-based requirements. In addition, the amendments codify SEC's interpretation that proxy voting advice generally constitutes a solicitation within the meaning of the Securities Exchange Act. Finally, the amendments clarify when the failure to disclose certain information in proxy voting advice may be considered misleading within the meaning of the antifraud provision of the proxy rules, depending upon the particular facts and circumstances. The final rule is effective **11/02/2020**. Please see Section II.E of the final rule for compliance dates. The final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-03/pdf/2020-16337.pdf>. *Federal Register*, Vol. 85, No. 172, 09/03/2020, 55082-55155.
- SEC issued supplementary guidance regarding the proxy voting responsibilities of investment advisers under its regulations issued under the Investment Advisers Act in light of SEC's amendments to the rules governing proxy solicitations under the Securities Exchange Act as is highlighted in the above paragraph. The guidance is effective **09/03/2020**. The guidance may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-03/pdf/2020-16338.pdf>. *Federal Register*, Vol. 85, No. 172, 09/03/2020, 55155-55158.

SEC Extends Effective and Applicability Dates of Regulation Crowdfunding.

SEC issued a temporary final rule to extend the effective and applicability dates of the temporary final rule under Regulation Crowdfunding to facilitate capital formation for small businesses impacted by coronavirus disease (COVID-19). The temporary final rule is intended to expedite the offering process for smaller, previously established companies directly or indirectly affected by COVID-19 that seek to meet their funding needs through the offer and sale of securities pursuant to Regulation Crowdfunding. The amendments in the rule are effective **08/31/2020**, through **09/01/2021**. The expiration date for the temporary final rule published in the *Federal Register* on **05/07/2020**, is extended from **03/01/2021**, to **09/01/2021**. The temporary rule applies to securities offerings initiated under Regulation Crowdfunding between **05/04/2020**, and **02/28/2021**. The temporary final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-02/pdf/2020-19468.pdf>. *Federal Register*, Vol. 85, No. 171, 09/02/2020, 54483-54490.

SEC Issues Correction to Financial Disclosures Involving Guarantors, Issuers of Guaranteed Securities, and Affiliates Whose Securities Collateralize a Registrant's Securities.

SEC issued a correction to a final rule that made amendments to SEC's disclosure rules and forms adopted in Release No. 33-10762, which was published in the *Federal Register* on **04/20/2020**. Specifically, the correction conforms the numbering of certain regulatory text to match renumbering set out in a recently published rule. The correction is effective **01/04/2021**. The correction may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-31/pdf/2020-11480.pdf>. *Federal Register*, Vol. 85, No. 169, 08/31/2020, 53672.

NCUA Issues Proposed Rule on Transition to CECL.

The National Credit Union Administration (NCUA) seeks comment on a proposed rule to address changes to the U.S. generally accepted accounting principles (GAAP). Specifically, the proposed rule would provide that, for purposes of determining a federally insured credit union's (FICU's) net worth classification under the prompt corrective action (PCA) regulations, NCUA will phase-in the day-one adverse effects on regulatory capital that may result from the adoption of the current expected credit losses (CECL) accounting methodology. Consistent with regulations issued by the other federal banking agencies, the proposed rule would temporarily mitigate the adverse PCA consequences of the day-one capital adjustments, while requiring that FICUs account for CECL for other purposes, such as Call Reports. The proposed rule would also provide that FICUs with less than \$10 million in assets are no longer required to determine their charges for loan losses in accordance with GAAP. NCUA's regulations would provide that these FICUs may instead use any reasonable reserve methodology (incurred loss), provided that it adequately covers known and probable loan losses. Comments are due **10/19/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-19/pdf/2020-16987.pdf>. *Federal Register*, Vol. 85, No. 161, 08/19/2020, 50963-50970.



Regulatory Spotlight

NCUA Issues Proposed Rule on Fees Paid by Federal Credit Unions.

NCUA issued a proposed rule to amend its regulation governing assessment of an annual operating fee to federal credit unions (FCUs). First, for purposes of calculating the annual operating fee, the proposed rule would amend the current rule to exclude from total assets any loan an FCU reports under the Small Business Administration's Paycheck Protection Program or similar future programs approved for exclusion by NCUA. Second, the proposed rule would delete from the current regulation references to the Credit Union System Investment Program and the Credit Union Homeowners Affordability Relief Program, both of which no longer exist. Third, the proposed rule would amend the period used for the calculation of an FCU's total assets. Currently, total assets are calculated using an FCU's December 31 Call Report of the preceding year. Under the proposed rule, total assets would be calculated as the average total assets reported on an FCU's previous four Call Reports available at the time NCUA approves its budget for the upcoming year, adjusted for any excludable programs as determined by NCUA. Finally, the proposed rule also would make some minor technical changes. As is highlighted in the following paragraph, NCUA has separately published a document and requests comment about the methodologies it uses to compute the Overhead Transfer Rate and to set the annual operating fee schedule for fees charged to FCUs. Comments are due **10/30/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-31/pdf/2020-16981.pdf>. *Federal Register*, Vol. 85, No. 169, 08/31/2020, 53708-53713.

NCUA Seeks Comment on Methodology Used to Determine Overhand Transfer Rate.

NCUA seeks comment on the methodology used to determine the Overhead Transfer Rate (OTR). NCUA applies the OTR to its operating budget to determine the portion of the budget that will be funded from the National Credit Union Share Insurance Fund. NCUA also seeks comment on proposed changes to the methodology NCUA uses to determine how it apportions operating fees charged to federal credit unions. NCUA uses operating fees to fund part of its annual budget. Comments are due **10/30/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-31/pdf/2020-17009.pdf>. *Federal Register*, Vol. 85, No. 169, 08/31/2020, 53854-53862.

VA Seeks Comment on Computer Matching Agreements.

- The Department of Veterans Affairs (VA) announced the renewal of a computer matching agreement with the Social Security Administration. The disclosure of data provides VA with data to update the master records of VA applicants and beneficiaries, including veterans and survivors, and their eligible dependent(s) who are receiving income-dependent benefits. The disclosure also provides VA with data to determine the continued eligibility of those receiving income-dependent benefits and those beneficiaries who are receiving disability compensation at the 100 percent rate because of unemployability and to allow VA to adjust or discontinue benefits accordingly. Comments are due **09/16/2020**. The new matching program is effective **09/16/2020**, unless comment is received. The matching program will begin **09/15/2020**, and end on **03/14/2022**, with an option to renew an additional twelve months to **03/14/2023**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-17/pdf/2020-17945.pdf>. *Federal Register*, Vol. 85, No. 159, 08/17/2020, 50069-50070.
- VA announced it intends to conduct a computer matching program with the Internal Revenue Service. Data from the proposed match will be used to verify the unearned income of nonservice-connected veterans, and the veterans who are zero percent service-connected (non-compensable), whose eligibility for VA medical care is based on their inability to defray the cost of medical care. These veterans supply household income information that includes their spouses and dependents at the time of application for VA health care benefits. Comments are due no later than 30 days after publication of the notice. If no comment is received or unless otherwise published in the *Federal Register* by VA, the computer matching agreement will become effective **12/31/2020**, and expires 18 months after its effective date. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-24/pdf/2020-18521.pdf>. *Federal Register*, Vol. 85, No. 164, 08/24/2020, 52194-52196.
- VA has an 18-month computer matching agreement with the Federal Bureau of Prisons (BOP) regarding veterans and caregivers who are in federal prison and are also in receipt of compensation and pension benefits. VA seeks to re-establish the agreement between VA and the United States Department of Justice, BOP. The BOP will disclose information about individuals who are in federal prison. The VA will use the information as a match for recipients of compensation and pension benefits for adjustments of awards. Comments are due no later than 30 days after publication of the notice. If no comment is received or unless otherwise published in the *Federal Register* by VA, the matching program will begin **09/19/2020**, and end **03/18/2022**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-24/pdf/2020-18523.pdf>. *Federal Register*, Vol. 85, No. 164, 08/24/2020, 52195-52196.



Regulatory Spotlight

VA Seeks Comment on Reinstatement of Record for Loan Guaranty Program.

VA seeks comment on a reinstatement of a record regarding its Loan Guaranty Program: Maintenance of Records Under 38 CFR 36.4333. The VA Loan Guaranty Program guarantees loans made by private lenders to veterans for the purchase, construction, and refinancing of homes owned and occupied by veterans. Under 38 CFR 36.4333, VA requires holders to maintain and lenders to retain all records pertaining to loans guaranteed by VA. Under the same authority, VA has a right to inspect, examine, or audit, at a reasonable time and place, such records to ensure program participants are in compliance with applicable laws, regulations, policies, procedures and contract provisions. VA utilizes the data collected through loan audits to require corrective actions by lenders and holders who failed to adhere to VA regulations and statutes; it also uses the data collected through the authority to provide annual feedback to lenders, through the Lender Scorecard, on certain loan characteristics such as interest rate, fees and charges, audit results, etc., as compared to the national average of all VA lenders. Comments are due **10/19/2020**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-20/pdf/2020-18292.pdf>. *Federal Register*, Vol. 85, No. 162, 08/20/2020, 51554.

SSA Issues Interim Final Rule to Waive Recovery of Certain Overpayment Debts Accrued During COVID-19 Pandemic Period.

The Social Security Administration (SSA) issued an interim final rule to revise regulations on how SSA waives the recovery of certain overpayment debts. SSA will apply the interim final rule when an affected beneficiary requests waiver of certain overpayment debts that accrued during a portion of the COVID-19 pandemic period. Under the interim final rule, SSA may waive recovery of overpayment debts using a streamlined internal process. Since the overpayment debts at issue occurred because of the circumstances surrounding the COVID-19 national public health emergency, SSA stated it can assume that the debts are not the fault of the affected beneficiaries due directly to SSA's strategic decision to reprioritize workloads to stop manually processing certain actions, and it would be against equity and good conscience to collect them. In particular, qualifying overpayment debts include those incurred between **03/01/2020**, through **09/30/2020**, that SSA did not manually process as a result of SSA's cession of certain activities, and that SSA identifies by **12/31/2020**. The interim final rule is effective **08/27/2020**. Comments are due **10/26/2020**. The interim final rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-27/pdf/2020-18834.pdf>. *Federal Register*, Vol. 85, No. 167, 08/27/2020, 52909-52915.

DOL Issues 2021 Minimum Wage for Contractors.

The Department of Labor's (DOL's) Wage and Hour Division announced the applicable minimum wage rate for workers performing work on or in connection with federal contracts covered by Executive Order 13658, Establishing a Minimum Wage for Contractors, beginning **01/01/2021**. Beginning on that date, the Executive Order minimum wage rate that generally must be paid to workers performing work on or in connection with covered contracts will increase to \$10.95 per hour, while the required minimum cash wage that generally must be paid to tipped employees performing work on or in connection with covered contracts will increase to \$7.65 per hour. The new rates are effective **01/01/2021**. The notice may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-08-31/pdf/2020-19037.pdf>. *Federal Register*, Vol. 85, No. 169, 08/31/2020, 53850-53854.

DOL Issues Proposed Rule to Amend Investment Duties Regulation.

DOL issued a proposed rule to amend the "Investment Duties" regulation issued in 1979 to address the application of the prudence and exclusive purpose duties under the Employee Retirement Income Security Act (ERISA) to the: exercise of shareholder rights, including proxy voting; use of written proxy voting policies and guidelines; and selection and monitoring of proxy advisory firms. The proposed rule also states that Interpretive Bulletin 2016-01 no longer represents the view of DOL regarding the proper interpretation of ERISA with respect to the exercise of shareholder rights by fiduciaries of ERISA-covered plans, and notes that the bulletin will be removed from the Code of Federal Regulations when a final rule is adopted. Comments are due **10/05/2020**. The proposed rule may be viewed at: <https://www.govinfo.gov/content/pkg/FR-2020-09-04/pdf/2020-19472.pdf>. *Federal Register*, Vol. 85, No. 173, 09/04/2020, 55219-55242. ■



Compliance Notes

▲ FRB, FDIC, OCC, FinCEN, and NCUA have issued a joint statement to address due diligence questions raised by banks related to BSA/AML requirements for customers whom banks may consider to be politically exposed persons. The joint statement may be viewed at: www.federalreserve.gov/newsevents/pressreleases/files/bcreg20200821a1.pdf

▲ On **09/15/2020**, FDIC adopted a Restoration Plan to restore the Deposit Insurance Fund (DIF) reserve ratio to at least 1.35 percent within 8 years, as required by the Federal Deposit Insurance Act. Under the Restoration Plan, FDIC will: monitor deposit balance trends, potential losses, and other factors that affect the reserve ratio and provide updates to its loss and income projections at least semiannually. Most importantly, FDIC has agreed to maintain the current schedule of assessment rates for all insured depository institutions. The Restoration Plan may be viewed at: www.fdic.gov/news/financial-institution-letters/2020/fil20090.html

▲ FHA announced it has extended its foreclosure and eviction moratorium through **12/31/2020**, for homeowners with FHA-insured single-family mortgages covered under the CARES Act. The extension provides an additional four months of housing security for homeowners and is the third extension of the moratorium by FHA. The announcement may be viewed at: www.hud.gov/press/press_releases_media_advisories/HUD_No_20_134

▲ FRB updated its Main Street Lending Program FAQs to clarify expectations regarding lender underwriting for the program. The revised FAQs emphasize that lender underwriting should look back to the borrower's pre-pandemic condition and forward to their post-pandemic prospects. The FAQs also clarify supervisory expectations for lenders originating Main Street loans. The revised FAQs were developed with FDIC and OCC. Also, the Federal Reserve Bank of Boston anticipates that the Main Street program will begin accepting loans made to multiple co-borrowers when that functionality is deployed before the end of September. In anticipation of that added functionality, the updated FAQs also include details regarding co-borrower loans. FAQs for non-profits and for-profits may both be viewed at: www.federalreserve.gov/newsevents/pressreleases/monetary20200918a.htm

▲ OCC issued Bulletin 2020-81: Credit Risk: Management of Loan Purchase Activities, in which OCC sets forth its expectation that banks engage in loan purchase activities in a safe and sound manner and in compliance with applicable accounting standards, laws, and regulations. The bulletin covers the following topics regarding a bank's loan purchase activities: strategic plan and risk appetite, lending policies and procedures, and credit administration. Within the credit administration section, the bulletin also includes a discussion regarding due diligence and independent credit analysis, additional considerations for loan portfolio and pool purchases, and recourse arrangements. Bulletin 2020-81 may be viewed at: www.occ.gov/news-issuances/bulletins/2020/bulletin-2020-81.html

▲ OCC released revisions to both the *Comptroller's Licensing Manual* and the *Comptroller's Handbook*. OCC has revised its Federal Branches and Agencies booklet of the *Comptroller's Licensing Manual*. The revised edition replaces the booklet of the same title issued in October 2019. The revised booklet makes certification and updates to OCC's policies and procedures regarding the establishment, operations, and other corporate activities of federally licensed offices of foreign banks, which include federal branches, limited federal branches, and federal agencies. The booklet does not address subsidiaries of foreign banks, which are covered in the Related Organizations booklet of the *Comptroller's Handbook*.

OCC also revised its Other Real Estate Owned booklet of the *Comptroller's Handbook*. The updated booklet replaces the booklet of the same title issued in August 2018. OCC Bulletin 2018-26 is also rescinded. The updated booklet reflects changes to: 12 CFR 34, subpart E, including changes to holding period requirements for federal savings associations; other regulations that occurred since the booklet was last issued; and OCC issuances published and rescinded since the booklet was last issued. The booklet also clarifies applicability of certain requirements to covered savings associations, and includes clarifying edits regarding supervisory guidance, sound risk management or legal language. The revised Federal Branches and Agencies and revised Other Real Estate Owned booklets may be viewed at the following links, respectively: www.occ.gov/news-issuances/bulletins/2020/bulletin-2020-80.html and www.occ.gov/news-issuances/bulletins/2020/bulletin-2020-79.html

▲ Changes have been made to the Criminal Background Check section of the *NMLS Policy Guidebook* regarding the processing of fingerprints submitted under the NMLS program. The revised guidebook and other NMLS news may be viewed at: <https://nation-widelicensingsystem.org/news/nmlsnews/Pages/default.aspx>

▲ FRB released the September 2020 edition of the *Beige Book*. The book provides FRB's insight into current overall economic activity, prices, employment and wage activity, and a report by each FRB District. The book may be viewed at: www.federalreserve.gov/monetarypolicy/beigebook202009.htm

▲ IRS announced it will start mailing letters to roughly nine million Americans who typically do not file federal income tax returns who may be eligible for, but have not registered to claim, an Economic Impact Payment (EIP). The IRS letters will urge recipi-



Compliance Notes

ents to register at [IRS.gov](https://www.irs.gov) by **10/15/2020**, in order to receive their payment by the end of the year. The letters are to be sent to individuals who have not filed a return for either 2018 or 2019. The press release may be viewed at: www.irs.gov/newsroom/irs-to-mail-special-letter-to-estimated-9-million-non-filers-urging-them-to-claim-economic-impact-payment-by-oct-15-at-irs-gov

▲ CFPB released its *Outline of Proposals Under Consideration and Alternatives Considered for Section 1071 of the Dodd-Frank Act*. CFPB stated it will convene a Small Business Advocacy Review panel in October 2020. The panel will prepare a report that examines the impact of the potential rule on small businesses. The report, along with feedback received from small businesses, will be considered by CFPB in its rulemaking to implement Section 1071. Dodd-Frank Act Section 1071 requires financial institutions to collect certain data regarding applications for credit for women-owned, minority-owned, and small businesses, and to report that data to CFPB on an annual basis. The outline describes proposals that CFPB is considering to implement Section 1071 along with the relevant law, the regulatory process, and an economic analysis of the potential impacts of the proposals on directly affected small entities. The outline may be viewed at: www.consumerfinance.gov/about-us/newsroom/cfpb-releases-outline-proposals-implementation-small-business-lending-data-collection-requirements/

▲ FDIC released the result of its annual survey of branch office deposits for all FDIC-insured institutions as of **06/30/2020**. FDIC's Summary of Deposits (SOD) provides deposit totals for each of the more than 85,000 domestic offices operated by more than 5,000 FDIC-insured commercial and savings banks, savings associations, and U.S. branches of foreign banks. The SOD includes historical data going back to 1994 that can be analyzed using online reports, tables, and downloads. SOD users can locate bank offices in a particular geographic area and create custom market share reports for areas such as state, county, and metropolitan statistical area. Market share reports have been expanded to allow users to see market growth and market presence for specific institutions. The data may be viewed at: www7.fdic.gov/sod/

▲ CFPB issued its second *COVID-19 Special Issue Brief*. The report describes trends in delinquency rates, payment assistance, credit access, and account balance measure with a focus on the period since the start of the pandemic (March 2020). The report shows that through June 2020 consumers did not experience many of the negative credit consequences that may be expected during periods of high unemployment and large income shocks. The analysis shows that between March and June 2020 delinquencies declined on auto loans, mortgage, student loan, and credit card accounts, while the number of accounts with zero payment due increased. The report may be viewed at: www.consumerfinance.gov/data-research/research-reports/special-issue-brief-early-effects-covid-19-pandemic-on-consumer-credit/

▲ FRB issued its *Report on the Economic Well-Being of U.S. Households*. Recognizing the unprecedented financial disruptions caused by the COVID-19 pandemic, FRB conducted a pair of supplemental surveys to monitor changes in the financial well-being of Americans. The first of these surveys was conducted in April, at the onset of the pandemic and before most financial relief efforts were in place. The April results were described in the Report on the Economic Well-Being of U.S. Households in 2019, Featuring Supplemental Data from April 2020. The second survey was conducted in July. Data collected to supplement FRB's seventh annual Survey of Household Economics and Decision Making showed that U.S. families were faring better financially in July than in April, but many still faced uncertainty regarding layoffs and prospects for returning to work. The release may be viewed at: www.federalreserve.gov/newsevents/pressreleases/other20200918a.htm

▲ Department of Homeland Security announced that after more than 15 years since Congress passed the REAL ID Act, all 50 states are now in full compliance issuing the cards. To date, the 50 states have issued more than 105 million REAL ID-compliant driver's licenses and identification cards, representing 38 percent of all driver's licenses and identification card holders. On **10/01/2021**, full enforcement of REAL ID will take effect at all federally regulated airports, federal facilities, and nuclear power plants. The Department continues to urge Americans to obtain a REAL ID-compliant card or acceptable alternative, such as a U.S. passport or passport card prior to the October enforcement deadline. The announcement may be viewed at: www.dhs.gov/news/2020/09/10/all-us-states-now-compliant-ahead-real-id-deadline

▲ CFPB released the first episodes of a two-part podcast series for students, parents, and practitioners on managing finances before, during, and after college. The podcast series, *Financial inTuition*, includes interviews with experts in financial aid, student loans, financial coaching, and planning. The podcasts also will highlight CFPB's resources and tools to help young adult consumers make sound financial decisions. The second part of the Financial inTuition podcast series, titled: Student Loan Repayment, will be released in late fall. The podcast may be found at: www.consumerfinance.gov/about-us/newsroom/cfpb-announces-podcast-series-paying-higher-education/ ■



Conferences | Summits

Schools | Boot Camps

Seminars | Workshops

WBA Webinars

Other Events

SEPTEMBER 2020

- 11 **Internal Audit Workshop**
Virtual – \$245/attendee
- 15-16 **Management Conference**
Virtual – \$500/bank – unlimited attendees!
- 16 **Capitol Day(s) Kickoff**
Virtual – Complimentary – *during Management Conf.*
- 17-30 **Capitol Day(s) with Your Legislator**
Virtual – Complimentary – *various dates & times*
- 17 **FIPCO Software & Compliance Forum: Deposits**
Virtual – \$299/connection
- 22-23 **Secur-IT Conference**
Virtual – \$595/bank – unlimited attendees!
- 23 **Principles of Banking Virtual Course - 8 weeks**
Wednesdays 9:00 – 11:00 a.m. weekly - \$439/first attendee; \$219/each additional attendee
- 24 **Cash Management Workshop***
Madison & Virtual – \$245/attendee
- 25 **Enterprise Risk Management Workshop***
Madison & Virtual – \$245/attendee
- 29, 10/6 **Credit Risk Management in the COVID-19 Recession Webinar Series**
\$295/ connection to each session, *includes* & 10/13 *access to recordings*
- 30-10/2 **Midwest Trust & Wealth Management Conference**
Virtual – \$395/individual or \$595/bank

OCTOBER 2020

- 6-7 **Margin Management Workshop**
Virtual – \$295/attendee
- 6 **BSA/AML Compliance Workshops***
Eau Claire – \$245/attendee**
- 7 Neenah – \$245/attendee**
- 8 Madison & Virtual – \$245/attendee**
***certificate of attendance provided*
- 13-14 **Personal Banker School***
Madison – \$450/attendee
- 15 **Bank Directors Summit**
Virtual – \$150/attendee, *certificate of attendance provided*

OCTOBER 2020 *continued*

- 15 **Advanced Financial Statement & Cash Flow Analysis Workshop**
Virtual – \$245/attendee
- 16 **Advanced Tax Return Analysis Workshop**
Virtual – \$245/attendee
- 20-21 **Community Bankers for Compliance (CBC) – Session IV**
Virtual – Pricing Options Vary
- 21-22 **Supervisor Boot Camp***
Madison – \$535/attendee
- 27-28 **Compliance Forum: Session 2**
Virtual – Pricing Options Vary
- 29 **IRA Essentials Workshops**
Virtual – \$225/attendee
- 30 **Advanced IRA Workshops**
Virtual – \$225/attendee

NOVEMBER 2020

- 2-3 **Deposit Compliance School***
Madison – \$535/attendee
- 3-4 **LEAD360 Conference***
Virtual – \$595/bank – unlimited attendees!
- 5-6 **Consumer Lending Boot Camp***
Madison – \$495/attendee
- 12 **Human Resources Conference***
Wisconsin Dells & Virtual – \$225/first in-person attendee; \$125/each additional in-person attendee; \$450/bank for virtual connection

KEY: Color-Coded Event Descriptions...

• **Conferences|Summits** – One or more days, based on hot topics, industry news and best practices; scheduled time for peer networking. • **Schools|Boot Camps** – Focused on a particular area of banking, allowing for a deep dive into that focused area over the course of two to six days. • **Workshops|Seminars** – One-day programs, sometimes in multiple locations, focused on a specific topic or area of banking. • **WBA-Hosted Webinars** – Two-hour webinars instructed with a particular focus on Wisconsin state law and rules. • **Other Events**.

(over)

Conferences | Summits

Schools | Boot Camps

Seminars | Workshops

WBA Webinars

Other Events

NOVEMBER 2020 *continued*

- **BOLT Winter Leadership Summit***
16-17 Stevens Point & Virtual – \$150/attendee
- **FIPCO Software & Compliance Forum: Loans & Mortgage***
16-19 Virtual Half-Days

DECEMBER 2020

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

JANUARY 2021

- **Midwest Virtual Economic Forecast Forum**
7 Virtual
- **Community Bankers for Compliance (CBC) – Session I**
26-27 Virtual – Membership/Pricing Options Vary

FEBRUARY 2021

- **Bank Executives Conference***
1-3 Wisconsin Dells
- **Compliance Forum: Session 3***
23 Wausau – Membership/Pricing Options Vary
24 Wisconsin Dells – Membership/Pricing Options Vary
25 Milwaukee – Membership/Pricing Options Vary

APRIL 2021

- **Agricultural Bankers Conference***
7-8 Wisconsin Dells - \$300/ag section member; \$350/non-section member banker
- **Women in Banking Conference***
26 Wisconsin Dells - \$250/each first two attendees; \$195/each additional attendee
- **Community Bankers for Compliance (CBC) – Session II***
27 Wausau area – Membership/Pricing Options Vary
28 Madison area – Membership/Pricing Options Vary

MAY 2021

- **School of Bank Management**
10-14 Madison – \$1,395/attendee
- **Credit Analysis Boot Camp**
20-21 Madison – \$495/attendee

JUNE 2021

- **BOLT Summer Leadership Summit***
10-11 Wisconsin Dells – \$150/attendee
- **Credit Analysis Boot Camp**
24-25 Green Bay – \$495/attendee

JULY 2021

- **Community Bankers for Compliance (CBC) – Session III**
27-28 Virtual – Membership/Pricing Options Vary
- **Advanced Financial Statement & Cash Flow Analysis Workshop***
29 Madison – \$245/attendee
- **Advanced Tax Return Analysis Workshop***
30 Madison – \$245/attendee

SEPTEMBER 2021

- **Management Conference**
13-14 Green Bay

OCTOBER 2021

- **Community Bankers for Compliance (CBC) – Session IV***
26 Wausau area – Membership/Pricing Options Vary
27 Madison area – Membership/Pricing Options Vary

****IMPORTANT INFORMATION***

Attendance at in-person events will be limited to allow for physical distancing and a more spacious room set-up. Please visit <https://www.wisbank.com/education/engagement-center-guidelines/> for more information.