April 2021

Compliance Update

COMMUNITY BANKERS FOR COMPLIANCE NEWSLETTER

INSIDE

Unemployment Insurance Fraud

By Bill Elliott, CRCM; Director of Compliance Education

In recent weeks, unemployment insurance fraud has become a larger and larger concern for many financial institutions. It creates some unique difficulties, as it is difficult to determine what is unemployment insurance that is truly owed, and what is fraud.

The following link is to a publication by the Financial Crimes Enforcement Network (FinCEN) that was issued in October of last year. It contains information regarding what to look for and most especially how to complete a Suspicious Activity Report (SAR) filing when you discover this kind of activity.

https://www.fincen.gov/sites/default/files/advisory/2020-10-13/Advisory%20Unemployment%20Insurance%20COVID%2019%20508%20Final.pdf

Suggestions

Among some other ideas that you may find useful are the following.

- Find ways to flag unemployment insurance payments that come from outside the state. Many of the fraudulent amounts are "foreign" state transactions.
- While we never believe that violating a regulation is a great idea, you might consider holding any of these "foreign transactions" until such time as you believe they are legitimate. While a violation of Regulation CC (if a check is deposited), perhaps ACH rules (if a direct deposit is involved), this may be one of those times when you have to place the security of the bank and its customers above a regulation.

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Distributed by:
Wisconsin Bankers Association
4721 S. Biltmore Lane
Madison, WI 53718

Published by:
Young & Associates, Inc.
121 East Main Street
P.O. Box 711
Kent, OH 44240

- If you have Bank Secrecy Act (BSA)/anti-money laundering (AML) software and are unsure of how it might be able to help, call your software company and see what they might offer.
- If you do not have software, because of the potential for major losses, you may need to expend additional human resources to look for these transactions and isolate them.
- Although the SAR limit for this kind of activity would probably be $25,000 in most cases (since a suspect often is not identified), consider filing a SAR at lower amounts using the directions set forth in the linked document above.
- You may wish to contact law enforcement or other state and federal employees regarding these issues.
- You may also wish to contact appropriate legal counsel to understand exactly what the risks may be and for legal advice about how to proceed.

With the advent of the pandemic, bad actors have discovered another way to try and take money away from the American taxpayer, and of course more importantly, your customer. You need to make every effort you can think of to try and limit their opportunity to do this. ❑

NCUA Enforcement Action over Marijuana Banking

By William J. Showalter, CRCM, CRP; Senior Consultant

The National Credit Union Administration (NCUA) issued a cease-and-desist (C&D) order against the $69 million Live Life Federal Credit Union (Fraser, MI) last month related to its handling of marijuana-related businesses (MRB) and money services business (MSB). This is reportedly the first federal regulatory enforcement action related to marijuana-related banking.

Background

Voters in Michigan legalized adult recreational use of cannabis in 2018. Live Life FCU reportedly was one of the first financial institutions in the state to serve the cannabis industry.

Since then, the financial performance for the small Michigan credit union has improved significantly. After posting losses in 2016 and 2017, and a modest income in 2018, income grew to $2.8 million at the end of 2020, according to NCUA financial performance reports. Total loans increased substantially and total loan income jumped significantly over that time period. However, the credit union's fee income made the most impact on its financials due to the high fees financial institutions charge cannabis businesses. The high fees result from the labor-intensive compliance requirements that come with providing banking services to cannabis companies.

According to news reports, Live Life FCU services about 150 marijuana business members, but has added only a couple of employees since taking on this labor-intensive business line.

Enforcement order

According to the order, Live Life FCU waived its right to appeal and agreed to take the following actions:

- Immediately cease opening new marijuana accounts and suspend transactional activity on certain existing accounts
- Implement an automated system to effectively monitor, identify, and file suspicious activity reports in accordance with FinCEN regulations, and
- Engage a third party to validate compliance

The NCUA also ordered Live Life FCU to suspend transactions activity on its existing MSB accounts and hire a qualified third party to perform a retrospective review of its MSB activity to identify suspicious transactions. This retrospective review must include an evaluation based on a 2019 advisory from the Financial Crimes Enforcement Network (FinCEN) in identifying and reporting suspicious activity on how criminals and other bad actors exploit virtual currency for money laundering, sanctions evasion, and other illicit financing purposes.

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Next steps that the credit union must undertake as a result of the C&D order include:

- Based on the results of the review of MSB businesses, Live Life FCU must file SARs recommended by the third party.
- By April 30, Live Life FCU must implement an automated system (to replace its existing manual system) to effectively monitor and identify all transactions for suspicious activity, including functions to support its compliance with FinCEN requirements for MRBs.
- It also is required to immediately develop and implement a system to ensure all Currency Transaction Reports (CTR) are filed accurately.

The C&D order may be read at https://www.ncua.gov/regulation-supervision/enforcement-actions/administrative-orders/2021/administrative-order-matter-live-life-federal-credit-union.

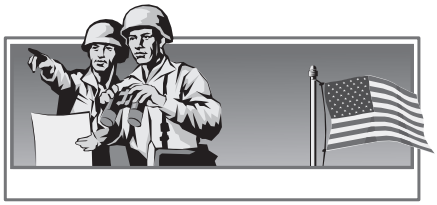
Conclusion

Financial institutions across the country are reluctant to work with cannabis businesses because of concerns surrounding the federal illegality of cannabis. The gray area of cannabis being legal in certain states, but not at the federal level, often scares away financial institutions. According to media reports, the scarcity of banking services can cause the cannabis industry to either be sneaky about how they do their banking or deal mostly in dangerous amounts of cash.

This enforcement action should serve as a warning to the banks and credit unions who already work with the cannabis industry. Technically, companies that adhere to FinCEN guidelines and other legal guidance on mitigating risks should avoid legal trouble, there is a lot to keep track of when it comes to cannabis banking law.

FinCEN Advisory FIN-2014-G001, BSA Expectations Regarding Marijuana-Related Businesses, a primary source in this area, is available at https://www.fincen.gov/sites/default/files/guidance/FIN-2014-G001.pdf.

This enforcement action will get a lot of attention and focus everyone in the industry who is thinking about engaging MRB customers to carefully study the regulatory road map for how it should be done. ❑



National Defense Authorization Act & BSA

By Bill Elliott, CRCM; Director of Compliance Education

We have received a number of inquiries about changes to the Bank Secrecy Act (BSA) included in the recent National Defense Authorization Act. It is true that part of that act will make changes to the BSA.

As part of Military Defense Authorization Act for 2021, there was an entire section dedicated to updating the BSA. Although time periods were given to regulators for implementing many of the new requirements, we know from past experience that many of the deadlines will be missed. Some of the deadlines require writing new regulation or forms, publishing for public comment and issuing a final rule within six to 12 months of enactment (which was last December). That, of course, is not realistic.

Many of the changes will have little or no direct impact on financial institutions, such as a revamping of the Financial Crimes Enforcement Network (FinCEN) itself. But the law also requires streamlining of Currency Transaction Reports (CTR) and Suspicious Activity Reports (SAR), as well as a requirement to reassess the dollar limits for which these reports will be required. Both of these goals will take time and consideration, so there is no need to "panic" yet.

Other changes were made to the BSA statute, but all of these revisions will require changes to the implementing regulations. Until the regulations are changed, there are no changes in requirements for financial institutions.

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The BSA will change, and perhaps significantly. Commenting, when it is requested, is something we strongly encourage, as many of the goals of the law are open-ended, meaning regulators will have fairly wide discretion, a situation in which comments generally carry more weight than at other times.

As the agencies make the changes, and/or make other decisions required by the law, we will ensure that these actions are discussed in the *Compliance Update* and our seminars. But at the present time, nothing has changed as far as your current requirements, and it is BSA as usual. ❑

CFPB Rescinds UDAAP Policy Statement

By Sharon Bond, CRCM; Consultant

The Consumer Financial Protection Bureau (CFPB) announced that it is rescinding its January 24, 2020 policy statement, "Statement of Policy Regarding Prohibition on Abusive Acts or Practices" (Policy Statement). Going forward, the CFPB states that it intends to exercise its supervisory and enforcement authority consistent with the full scope of its statutory authority under the Dodd-Frank Act as established by Congress. The CFPB asserts that it has made these changes to better protect consumers and the marketplace from abusive acts or practices, and to enforce the law as Congress wrote it.

Policy statement

In January 2020, the CFPB announced the Policy Statement, which provided a framework for the agency's exercise of its supervisory and enforcement authority to address "abusive" acts or practices. Specifically, the Policy Statement provided that the CFPB intended to apply the following three principles during its supervision and enforcement work.

- First, the CFPB stated that it intended to focus on citing conduct as "abusive" in supervision or challenging conduct as "abusive" in enforcement if the agency concluded that the harms to consumers from the conduct outweighed its benefits to consumers.
- Second, the CFPB stated that it would generally avoid challenging conduct as "abusive" that relied on all or nearly all of the same facts that the agency alleged are "unfair" or "deceptive." The CFPB stated that where it nevertheless decided to include an alleged abusiveness violation, the agency intended to plead such claims in a manner designed to clearly demonstrate the nexus between the cited facts and the agency's legal analysis of the claim. The CFPB stated that, in its supervision activity, it similarly intended to provide more clarity as to the specific factual basis for determining that a covered person had violated the abusiveness standard.
- Third, the CFPB stated that it generally did not intend to seek certain types of monetary relief for abusiveness violations where the covered person was making a good-faith effort to comply with the abusiveness standard.

Reconsideration

The CFPB asserted that the Policy Statement was necessary to address the uncertainty of the abusiveness standard based on the agency's conclusions that such uncertainty was "not beneficial," presented "significant challenges" to businesses, imposed "substantial costs, including impeding innovation," and may cause consumers to "lose the benefits of improved products or services and lower prices."

As the Policy Statement referenced, some panelists at the CFPB's June 2019 Symposium on Abusive Acts or Practices urged the agency to resolve the abusiveness standard's uncertainty for these and other reasons, while others expressed the view that the statutory definition of abusiveness is sufficiently clear and that no evidence supported the claims that the uncertainty had affected business practices, including chilling innovation.

Based on its review of, and experience in applying, the Policy Statement, however, the CFPB has concluded that the principles set forth in the Policy Statement do not actually deliver clarity to regulated entities. In fact, the Policy Statement's intended principles, including "making a good-faith effort to comply with the abusiveness standard," themselves afford the agency considerable discretion in its application and add uncertainty to

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market participants. The CFPB further concluded that the intended principles have the effect of hampering certainty over time.

For these reasons, the CFPB is rescinding the Policy Statement and instead, in its discretion, intends to exercise its supervisory and enforcement authority consistent with the Dodd-Frank Act and with the full authority afforded by Congress consistent with the statutory purpose and objectives of the CFPB. The agency intends to consider good faith, company size, and all other factors it typically considers as it uses its prosecutorial discretion. The CFPB said a policy of declining to enforce the full scope of Congress's definition of an "abusive" practice harms both the consumers who were taken advantage of and the honest companies that have to compete against those that violate the law.

The rescission is applicable on March 19, 2021.

For more information, please see the Notice of Rescission of Statement of Policy at https://files.consumerfinance.gov/f/documents/cfpb_abusiveness-policy-statement-consolidated_2021-03.pdf. ❑

CFPB Statement Regarding EIP Fund Distribution

By Dale Neiss, CRCM; Consultant

On March 17, 2021, Consumer Financial Protection Bureau (CFPB) Acting Director Dave Uejio issued the following statement:

> "The Consumer Financial Protection Bureau is squarely focused on addressing the impact of the COVID-19 pandemic on economically vulnerable consumers and is looking carefully at the stimulus payments that millions are now receiving through the American Rescue Plan. The CFPB is concerned that some of those desperately needed funds will not reach consumers, and will instead be intercepted by financial institutions or debt collectors to cover overdraft fees, past-due debts, or other liabilities.
>
> "In recent days, many financial industry trade associations in dialogue with the CFPB have said they want to work with consumers struggling in the pandemic. Many of these organizations have told us they have begun or soon will take proactive measures to help ensure that consumers can access the full value of their stimulus payments. If payments are seized, many financial institutions have pledged to promptly restore the funds to the people who should receive them. We appreciate these efforts, which recognize the extraordinary nature of this crisis and the extraordinary financial challenges facing so many families across the country.
>
> "The CFPB will continue to closely monitor consumer complaint data and other information that will help us to better understand how these issues are affecting consumers."

Industry resources

The CFPB's COVID-19 Prioritized Assessments Special Edition of Supervisory Highlights (https://files.consumerfinance.gov/f/documents/cfpb_supervisory-highlights_issue-23_2021-01.pdf) addressed, among other things, observations related to deposit accounts and stimulus payments.

The Financial Crimes Enforcement Network's (FinCEN) Advisory on Financial Crimes Targeting COVID-19 Economic Impact Payments (https://www.fincen.gov/sites/default/files/advisory/2021-02-25/Advisory%20EIP%20FINAL%20508.pdf) contains descriptions of EIP fraud, associated red flag indicators, and information on reporting suspicious activity.

Consumer resources

Consumers should monitor their bank accounts or use the Internal Revenue Service's (IRS) Get My Payment tool to confirm EIP funds have been deposited into their accounts. In addition, a new CFPB consumer advisory (https://www.consumerfinance.gov/about-us/blog/consumer-advisory-protect-your-economic-payment-if-your-account-is-overdrawn/) offers advice on steps consumers can take if they believe their bank has withheld their stimulus payment to cover an overdrawn account balance. Consumers should also be aware of scams and not give personal or banking information to unsolicited callers claiming to help with relief payments.

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If consumers have a problem with their financial products or services, the CFPB points out that they can reach out directly to their financial institution. Financial institutions can usually answer questions unique to their situations and more specific to the products and services they offer. The CFPB can help consumers connect with companies about complaints. Consumers can submit complaints to the CFPB online or by calling (855) 411-2372. ❑

Accuracy & Integrity in Reporting to Specialty CRAs

By Michelle Graber, CRCM; Senior Consultant

A Nationwide Specialty Consumer Reporting Agency (NSCRA) is a consumer reporting agency (CRA) that compiles and maintains files on consumers relating, in part, to checking account history. Many financial institutions regularly contribute information to NSCRAs, such as ChexSystems, regarding closed checking and savings accounts. With a permissible purpose, the NSCRA provides services to financial institutions, primarily to assist in assessing the risk of opening new accounts.

The Fair Credit Reporting Act (FCRA) is designed to ensure that information gathered, shared, and included in consumer reports is accurate and has integrity. Section 603(x) of the FCRA defines "nationwide specialty consumer reporting agency" as a CRA "that compiles and maintains files on consumers on a nationwide basis relating to (1) medical records or payments; (2) residential or tenant history; (3) check writing history; (4) employment history; or (5) insurance claims."

Written policies & procedures

The FCRA requires that furnishers of information establish and implement reasonable written policies and procedures regarding the accuracy and integrity of information relating to consumers that they furnish to all CRAs. These policies and procedures must be appropriate to the nature, size, complexity, and scope of each furnisher's activities. When creating these policies and procedures, you must consider the factors listed in Appendix E to Regulation V [12 CFR 1022], Interagency Guidelines Concerning the Accuracy and Integrity of Information Furnished to Consumer Reporting Agencies and incorporate those guidelines that are appropriate. This obligation, which has been required under Regulation V since July 2010, applies to furnishing information to all CRAs, including furnishing to specialty CRAs, such as the furnishing of deposit account information to CRAs.

Your procedures should ensure and demonstrate that the information you furnish is:

- Accurate
- Updated as necessary, and
- Substantiated in your records

In recent reviews, Young & Associates, Inc. has found that many financial institutions are not compliant with their obligations in furnishing information to specialty CRAs, including the furnishing of deposit account information. An institution's relevant policies and procedures must encompass the institution's furnishing to all types of CRAs. Without adequate policies and procedures for reporting information that include consumers' deposit accounts, there is a risk of

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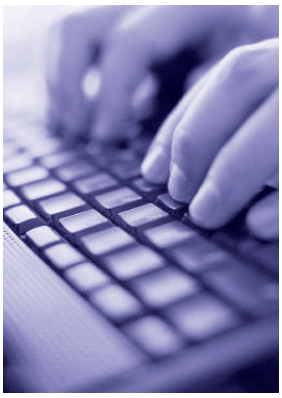


Federal Deposit Insurance Corporation
http://www.fdic.gov

Office of the Comptroller of the Currency
http://www.occ.gov

Federal Reserve
http://www.federalreserve.gov

Housing and Urban Development
http://www.hud.gov

Federal Financial Instutions Examination Council
http://www.ffiec.gov

U.S. Department of Treasury
http://www.treas.gov

Financial Crimes Enforcement Network
http://www.fincen.gov

Consumer Financial Protection Bureau
http://www.consumerfinance.gov

reporting inaccurate information about consumers' checking account history. This includes your obligation to update the report when a consumer pays off a charged-off balance.

The guidelines in Appendix E can be used as your checklist when looking at your current policy and procedures. If something in the guidelines is not addressed in your policy and/or procedures, you should add it to your written policy and/or procedures. Your procedures should consider deleting, updating, and correcting information in your records, as appropriate.

Direct disputes

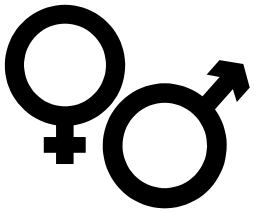
The FCRA and Regulation V also require that you investigate direct disputes and communicate the results of the investigations to consumers [12 CFR 1022.43(e)(3)]. A direct dispute is a dispute submitted directly to the financial institution (furnisher) by a consumer concerning the accuracy of any information contained in a consumer report and pertaining to an account or other relationship that the furnisher has or has had with the consumer. Direct dispute policies and procedures should also include provisions for direct disputes filed by consumers concerning consumer deposit account information furnished to NSCRAs.

Accuracy & integrity

Your procedures should include appropriate internal controls such as by verifying random samples of information provided to all CRAs. Controls should include a periodic review of the "error" report from each of the CRAs. Procedures and internal controls should address quality assurance, systems testing, or procedural changes.

Conclusion

Make sure your written policies and procedures regarding the accuracy and integrity of consumer information applies to all types of information furnished to each of the CRAs to which you furnish information. Periodically review and update your policies and procedures to ensure their continued effectiveness. Make sure that staff participating in furnishing of information receives periodic training, particularly to address issues and problems raised in the review or examination processes. ❑



Guidance on Sexual Orientation & Gender Identity Discrimination

By Sharon Bond, CRCM; Consultant

The Consumer Financial Protection Bureau (CFPB) issued an interpretive rule to clarify that, with respect to any aspect of a credit transaction, the prohibition against sex discrimination in the Equal Credit Opportunity Act (ECOA) and Regulation B, which implements ECOA, encompasses sexual orientation discrimination and gender identity discrimination, including discrimination based on actual or perceived nonconformity with sex-based or gender-based stereotypes and discrimination based on an applicant's associations.

Equal Credit Opportunity Act

The CFPB is responsible for administering and enforcing the ECOA and its implementing Regulation B. The ECOA makes it "unlawful for any creditor to discriminate against any applicant, with respect to any aspect of a credit transaction" on the basis of race, color, religion, national origin, sex, marital status, age, the fact that all or part of the applicant's income derives from any public assistance program, or the fact that the applicant has in good faith exercised any right under the Consumer Credit Protection Act or any state law upon which an exemption has been granted by the CFPB.

Likewise, Regulation B prohibits a creditor from making "any oral or written statement to applicants or prospective applicants that would discourage, on a prohibited basis, a reasonable person from making or pursuing an application."

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Background

In June 2020, the Supreme Court issued an opinion ruling that the prohibition against sex discrimination in Title VII of the Civil Rights Act of 1964 (Title VII) encompasses sexual orientation discrimination and gender identity discrimination. After the Supreme Court opinion, diverse stakeholders asked the CFPB to clarify that the prohibition in the ECOA and Regulation B against "sex" discrimination includes discrimination on the bases of sexual orientation and/or gender identity. The CFPB received many comments from its recent Request for Information on the Equal Credit Opportunity Act and Regulation B (RFI) from a variety of stakeholders, including consumer and civil rights advocates, a local government official, an academic institution, and industry representatives, that reiterated this request for regulatory clarification.

Interpretive rule

The CFPB issued the interpretive rule to address any regulatory uncertainty that may still exist under the ECOA and Regulation B as to the term "sex" to ensure the fair, equitable, and nondiscriminatory access to credit for both individuals and communities and to ensure that consumers are protected from discrimination. The interpretive rule serves a stated purpose of Regulation B, which is to "promote the availability of credit to all creditworthy applicants without regard to…sex."

In the discussion section of the interpretive rule, the CFPB states it believes that even though the term "sex" is not defined in ECOA or Regulation B, the prohibitions against discrimination on the basis of "sex" under the ECOA and Regulation B are correctly interpreted to include discrimination based on sexual orientation and/or gender identity. In sum, the agency finds that under the ECOA and Regulation B:

- Sexual orientation discrimination and gender identity discrimination necessarily involve consideration of sex
- An applicant's sex must be a "but for" cause of the injury but need not be the only cause, and
- Discrimination against individuals, and not merely against groups, is covered

The CFPB also clarifies that the prohibition of the ECOA and Regulation B against sex discrimination encompasses discrimination motivated by perceived nonconformity with sex-based or gender-based stereotypes, as well as discrimination based on an applicant's associations.

For these reasons, the ECOA and Regulation B prohibition against discrimination on the basis of "sex" includes discrimination or discouragement based on sexual orientation and/or gender identity, including but not limited to discrimination based on actual or perceived nonconformity with sex-based or gender-based stereotypes and discrimination based on an applicant's associations.

Effective date

Because this rule is solely interpretive, the CFPB states that it is not subject to the 30-day delayed effective date for substantive rules under section 553(d) of the Administrative Procedure Act. Therefore, this rule was effective on the date it was published in the *Federal Register*, March 16, 2021.

For more information, please visit the summary posted on the CFPB website at https://www.consumerfinance.gov/rules-policy/final-rules/equal-credit-opportunity-regulation-b/. ❑

Updated HMDA Guide Released

The Federal Financial Institutions Examination Council (FFIEC) has issued the 2021 edition of *A Guide to HMDA Reporting: Getting It Right!* for data collected under the Home Mortgage Disclosure Act (HMDA) in 2021 and reported in 2022. This compliance resource can help financial institutions better understand HMDA requirements, including the data collection and reporting provisions of Regulation C, which implements HMDA.

A copy of the Getting It Right guide can be found on the FFIEC's website at https://www.ffiec.gov/hmda/guide.htm. ❑

SCRA Section of OCC Handbook Revised

The Office of the Comptroller of the Currency (OCC) issued Bulletin 2012-11 announcing a revised "Servicemembers Civil Relief Act" (SCRA) booklet for the Comptroller's Handbook. This booklet provides information and procedures for examiners in connection with the consumer protections that servicemembers are eligible for under the SCRA. The revised SCRA booklet is available at https://www.occ.gov/publications-and-resources/publications/comptrollers-handbook/files/servicemembers-civil-relief/pub-ch-scra.pdf. ❑

DoD Schedules Update of MLA Website

The Department of Defense has announced that an update to its Military Lending Act records search website has been scheduled for April 29, 2021. The update will make the site's password access controls more robust by increasing the number of characters required, requiring that new passwords be used for a minimum of 24 hours and a maximum of 60 days, and requiring more than minimal character alterations at each change. The DoD says that the system upgrade should not interrupt access to the system. ❑

Compliance Calendar

This calendar is designed to help you address current and upcoming requirements related to compliance with federal consumer protection and other select rules. The calendar is not intended as general advice on when to perform ongoing compliance management functions, but as a reminder of due dates for completing these tasks. And, as always, consult the particular law or regulation for details on coverage, etc.

April 2021

- Update information in CRA public file by April 1, 2021.
- Update HMDA-LAR with loans and applications that reached final disposition in first calendar quarter 2021 by April 30, 2021.
- Update FHHLDS home loan activity format with first calendar quarter 2021 data by April 30, 2021 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

May 2021

- Renewed FinCEN GTOs due to expire on May 4, 2021.
- Large HMDA reporters (60,000 or more entries in 2020) electronically file first calendar quarter 2021 LAR by May 30, 2021.

June 2021

- FEMA no longer publishing community suspensions from the NFIP in the *Federal Register*.

July 2021

- Regulation Z changes implementing changes to "general QM" rule mandatory beginning July 1, 2021.
- Update HMDA-LAR with loans and applications that reached final disposition in second calendar quarter 2021 by July 31, 2021.
- Update FHHLDS home loan activity format with second calendar quarter 2021 data by July 31, 2021 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

August 2021

- Large HMDA reporters (60,000 or more entries in 2020) electronically file second calendar quarter 2021 LAR by August 29, 2021.

September 2021

- (Previously exempt lenders that experience a change in status regarding their exemption from the flood insurance escrow requirements in 2021) Notices providing the option to escrow flood insurance must be distributed to customers of all outstanding designated loans by September 30, 2021.

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November 2021

- Transactions using the former URLA and legacy AUS will no longer be accepted beginning November 1, 2021.
- Annual renewal period begins for MLO registrations and updating bank information under SAFE Act on November 1, 2021.
- Lenders begin using Standard Time designations for rate lock expirations on TRID Loan Estimates on November 7, 2021 (e.g., EST, CST, etc.).
- Large HMDA reporters (60,000 or more entries in 2020) electronically file third calendar quarter 2021 LAR by November 29, 2021.

December 2021

- Annual renewal period closes for MLO registrations and updating bank information under SAFE Act on December 31, 2021.

January 2022

- Regulation C (HMDA) changes related to open-end line data collection and reporting – permanently adjusting the coverage threshold to 200 open-end lines in each of previous two years – effective January 1, 2022.
- Annual reinstatement period begins for lapsed MLO and bank registrations under SAFE Act on January 2, 2022.
- Update HMDA-LAR with loans and applications that reached final disposition in fourth calendar quarter 2021 by January 31, 2022.
- Update FHHLDS home loan activity format with fourth calendar quarter 2021 data by January 31, 2022 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

February 2022

- Annual reinstatement period ends for lapsed MLO and bank registrations under SAFE Act on February 28, 2022.

March 2022

- Retirement Date related to revised URLA and updated AUS – March 1, 2022. No legacy URLA and loan application submissions based on previous AUS specifications accepted from this date on (regardless whether dated before March 1, 2021). End of pipeline transition period.
- 2021 HMDA LAR must be submitted to the CFPB by March 1, 2022.
- 2021 CRA small business, small farm, and community development loan data must be submitted to applicable regulator by March 1, 2022 (except "small banks").
- Lenders begin using Daylight Time designations for rate lock and estimated closing costs expirations on TRID Loan Estimates on March 13, 2022 (e.g., EDT, CDT, etc.).

April 2022

- Update information in CRA public file by April 1, 2022.
- Update HMDA-LAR with loans and applications that reached final disposition in first calendar quarter 2021 by April 30, 2022.
- Update FHHLDS home loan activity format with first calendar quarter 2022 data by April 30, 2022 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

July 2022

- Update HMDA-LAR with loans and applications that reached final disposition in second calendar quarter 2022 by July 31, 2022.
- Update FHHLDS home loan activity format with second calendar quarter 2022 data by July 31, 2022 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

August 2022

- Large HMDA reporters (60,000 or more entries in 2020) electronically file second calendar quarter 2022 LAR by August 29, 2022.

September 2022

- (Previously exempt lenders that experience a change in status regarding their exemption from the flood insurance escrow requirements in 2022) Notices providing the option to escrow flood insurance must be distributed to customers of all outstanding designated loans by September 30, 2022.

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November 2022

- Annual renewal period begins for MLO registrations and updating bank information under SAFE Act on November 1, 2022.
- Lenders begin using Standard Time designations for rate lock expirations on TRID Loan Estimates on November 6, 2022 (e.g., EST, CST, etc.).
- Large HMDA reporters (60,000 or more entries in 2020) electronically file third calendar quarter 2022 LAR by November 29, 2022.

December 2022

- Annual renewal period closes for MLO registrations and updating bank information under SAFE Act on December 31, 2022.

January 2023

- "General performance standards" (GPS) national banks must comply with assessment area, and data collection, recordkeeping, and reporting requirements beginning January 1, 2023. Also, wholesale and limited purpose national banks must comply with data collection, recordkeeping, and reporting requirements on this date.
- Annual reinstatement period begins for lapsed MLO and bank registrations under SAFE Act on January 2, 2023.
- Update HMDA-LAR with loans and applications that reached final disposition in fourth calendar quarter 2022 by January 31, 2023.
- Update FHHLDS home loan activity format with fourth calendar quarter 2022 data by January 31, 2023 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

March 2023

- 2022 HMDA LAR must be submitted to the CFPB by March 1, 2023.
- 2022 CRA small business, small farm, and community development loan data must be submitted to applicable regulator by March 1, 2023 (except "small banks").
- Lenders begin using Daylight Time designations for rate lock and estimated closing costs expirations on TRID Loan Estimates on March 12, 2023 (e.g., EDT, CDT, etc.).

April 2023

- Update information in CRA public file by April 1, 2023.
- Update HMDA-LAR with loans and applications that reached final disposition in first calendar quarter 2023 by April 30, 2023.
- Update FHHLDS home loan activity format with first calendar quarter 2023 data by April 30, 2023 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].