MISSOURI INDEPENDENT BANKERS ASSOCIATION

Capitol Comments
June 2017

When there is a deadline associated with an item, you will see this graphic:

Joint federal agency issuances

Financial Institution Regulatory Agencies Issue Advisory on Appraiser Availability

WASHINGTON—Responding to concerns over the limited availability of state-certified and -licensed appraisers, particularly in rural areas, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency today issued an advisory that highlights two options to help insured depository institutions and bank holding companies facilitate the timely consideration of loan applications.

Financial industry representatives, during the Economic Growth and Regulatory Paperwork Reduction Act (EGRPRA) review process, raised concerns regarding the timeliness of appraisals, which they attributed to shortfalls in the availability of state-certified and -licensed appraisers, particularly in rural areas.

Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) requires appraisals for federally related transactions to be performed by individuals who meet certain state-certification or -licensing requirements. Today's advisory points to alternatives that may help in areas facing a shortage of appraisers:

•The first option highlighted in the advisory, temporary practice permits, allows appraisers credentialed in one state to provide their services on a temporary basis in another state experiencing a shortage of appraisers, subject to state law. The advisory also discusses reciprocity, in which one state allows appraisers that are certified or licensed in another state to obtain certification or licensing without having to meet all of the state's certification or licensing standards.

•The second option, temporary waivers, sets aside requirements relating to the certification or licensing of individuals to perform appraisals under Title XI of FIRREA in states or geographic political subdivisions where certain conditions are met. Temporary waivers may be granted when it is determined that there is a scarcity of state-certified or -licensed appraisers leading to significant delays in obtaining an appraisal.

Comment: To read the Interagency Advisory, click here. Sadly, this advisory does not address a very fundamental and common problem, namely the lack of certified appraisers in rural areas and small towns. Bringing in appraisers from out of state or out of town results in appraisals of questionable validity, according to many frustrated bankers.

CFPB actions

CFPB Seeks Comment on Proposed Changes to Prepaid Rule

Washington, D.C. – The Consumer Financial Protection Bureau (CFPB) announced today [June 15, 2017] that it is seeking comment on proposed updates to its prepaid rule. The CFPB issued the prepaid rule in 2016, requiring financial institutions to limit consumers' losses when funds are stolen or cards are lost, investigate and resolve errors, give consumers free and easy access to account information, and provide protections if credit is offered. The proposal would adjust requirements for resolving errors on unregistered accounts and provide greater flexibility for credit cards linked to digital wallets.

"We know that effective implementation helps our rules deliver their intended value to consumers," said CFPB Director Richard Cordray. "Today's request for comment shows we are listening closely to feedback on our rules to decide whether certain adjustments will help to achieve that goal."

The CFPB's proposal is available at: http://files.consumerfinance.gov/f/documents/20170615_cfpb_NPRM_Prepaid-Accounts-Amendments.pdf

Comment: Although the purported target for this rule is reloadable prepaid cards, it is much broader and affects payroll cards, among other bank products. A bit of modification and relief there would be welcome!

CFPB Seeking Comments for Assessing The ATR/QM Rule

The Bureau of Consumer Financial Protection (Bureau) is conducting an assessment of the ATR/QM Rule under the Truth in Lending Act (Regulation Z), in accordance with section 1022(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The Bureau is requesting public comment on its plans for assessing this rule as well as certain recommendations and information that may be useful in conducting the planned assessment.

Comment: The request for comment was published in the June 1, 2017 Federal Register and comments close July 31, 2017. To read the release from the CFPB, click here***. The assessment is primarily intended to collect data. In addition, there is a request for input that appears to open the door for a request for extended small bank relief and help with hard to qualify borrowers, like the self-employed.***

CFPB Study Finds Consumers in Lower-income Areas are More Likely to Become Credit Visible Due to Negative Records

WASHINGTON, D.C. – The Consumer Financial Protection Bureau (CFPB) today [June 07, 2017] released a study on the transition to credit visibility that found that the way consumers establish credit history can differ greatly based on economic background. Consumers in lower-income areas are more likely than those in higher-income areas to become credit visible due to negative records such as a debt in collection. Consumers in higher-income areas are more likely than those in lower-income areas to establish credit history by using a credit card or relying on someone else. The study also found that the percentage of consumers transitioning to credit visibility due to student loans more than doubled in the last 10 years.

"It is no secret that lower-income consumers face challenges in the financial marketplace," said CFPB Director Richard Cordray. "Today's study shows that even at the beginning of their financial lives, they are faced with higher hurdles to gain access to credit, which hinders them from turning their version of the American dream into reality."

In 2015, CFPB estimated that 11 percent of adults in the United States, or about 26 million people, are credit invisible with no credit history at one of the three nationwide credit reporting companies. Traditionally, a credit history reflects whether payments are made on time, what debt a consumer owes, and whether they have a debt or bill in collection. Lenders use a consumer's credit history to decide whether to extend credit and how much the credit will cost. Without a sufficient credit history, consumers face barriers to accessing credit or higher costs. This issue disproportionately impacts consumers who are African American or Hispanic, and people who live in low-income neighborhoods. It can also impact some recent immigrants, young people just getting started, and people who are recently widowed or divorced.

Comment: The report on credit invisibility is available here.

CFPB Monthly Snapshot Spotlights Complaints from Older Consumers

WASHINGTON, D.C. – Today [May 31, 2017] the Consumer Financial Protection Bureau (CFPB) released a monthly complaint report highlighting complaints submitted by older consumers. The snapshot shows that older consumers frequently report servicing problems with reverse mortgages, difficulties recovering money after financial scams, confusion around deferred interest credit cards, and charges for unauthorized add-on products. The snapshot provides an overview and analysis of more than 103,100 complaints submitted to the Bureau by consumers voluntarily reporting their age as 62 or older.

"Older consumers who may be on a fixed income are at a greater risk for financial trouble if they encounter problems with financial products or services," said CFPB Director Richard Cordray. "The complaints submitted by older consumers are important for the Bureau to ensure we are properly looking out for this segment of the population."

Comment: The Monthly Complaint Report can be found** here**.

FDIC actions

FDIC Issues Adoption of Supervisory Guidance on Model Risk Management

The FDIC is adopting the Supervisory Guidance on Model Risk Management previously issued by the Board of Governors of the Federal Reserve System ("FRB") (SR 11-7) and the Office of the Comptroller of the Currency ("OCC") (OCC Bulletin 2011-12), with technical conforming changes, thereby making the guidance applicable to certain FDIC-supervised institutions. The guidance addresses supervisory expectations for model risk management, including: model development, implementation, and use; model validation; and governance, policies, and controls. The FDIC is adopting this guidance to facilitate consistent model risk-management expectations across the banking agencies and industry.

Statement of Applicability to Institutions under $1 Billion in Total Assets: It is not expected that this guidance will pertain to FDIC-supervised institutions with under $1 billion in total assets unless the institution's model use is significant, complex, or poses elevated risk to the institution.

Comment: To read FIL-22-2017, click** here**.

FDIC Issues Summary of Deposits Survey Filing for June 30, 2017

The Summary of Deposits (SOD) is the annual survey of branch office deposits as of June 30 for all FDIC-insured institutions, including insured U.S. branches of foreign banks. All institutions with branch offices are required to submit the survey; institutions with only a main office are exempt. **All survey responses are required by July 31, 2017**. No filing extensions will be granted.

Statement of Applicability to Institutions with Total Assets Under $1 Billion: This Financial Institution Letter applies to all FDIC-insured institutions.

Comment: To read FIL-21-2017, click** here**.

FDIC Offers Deposit Insurance Coverage Seminars for Bank Officers and Employees

The FDIC will conduct four identical live seminars on FDIC deposit insurance coverage for bank employees and bank officers between June 6, 2017, and December 4, 2017. In addition to a comprehensive overview of FDIC deposit insurance rules, the seminars now include deposit insurance coverage information for Prepaid Cards, Health Savings Accounts, 529 plan accounts and 529 Achieving a Better Life Experience (ABLE) plan accounts. The seminar presentation provides an overview of some of the most popular deposit insurance resources such as: (a) the FDIC's Electronic Deposit Insurance Estimator (EDIE), which is an interactive tool used to calculate deposit insurance coverage, (b) the FDIC's BankFind Directory that allows users to confirm if a bank is FDIC-insured, and (c) the FDIC's Financial Institution Employee's Guide to Deposit Insurance, which was developed to assist bankers to provide detailed information about deposit insurance coverage to their depositors.

In addition, the FDIC has developed three separate Deposit Insurance Coverage Seminars for bank officers and employees that are available on the FDIC's YouTube channel. Both the live and the YouTube deposit insurance coverage seminars will provide bank employees with an understanding of how to calculate deposit insurance coverage. The live seminars each provide a comprehensive overview of FDIC deposit insurance. The three YouTube seminars cover: Fundamentals of Deposit Insurance Coverage; Deposit Insurance Coverage for Revocable Trust Accounts; and Advanced Topics in Deposit Insurance Coverage.

Statement of Applicability to Institutions Under $1 Billion in Total Assets: This Financial Institution Letter applies to all FDIC-supervised institutions.

Comment: To read FIL-18-2017, click here. These seminars, along with the very readable consumer brochures, are an excellent way to educate front-line staff on this complicated—but very important—concern to customers.

FDIC Consumer News Issues Warning About 10 Scams Targeting Bank Customers

The FDIC often hears from bank customers who believe they may be the victims of financial fraud or thefts. The Summer 2017 FDIC Consumer News alerts the public to common scams and provides basic tips for protecting personal information and money. Topics include:

• An overview of 10 schemes bank customers need to be aware of, starting with the crime that occurs when thieves pose as government employees with false claims about needing a payment or valuable information, such as Social Security or bank account numbers;

• Basic defenses to consider in your everyday life, especially when engaging in financial transactions with strangers through e-mail, over the phone or on the Internet; and

• Resources to turn to for more information on how to avoid becoming a victim of financial scams.

Consumers also come to the FDIC for answers to questions about shopping for a mortgage to buy a home, which is likely to be the biggest single purchase they'll ever make. The latest FDIC Consumer News helps answer questions on topics like how to get a good interest rate, the ability to negotiate with a lender, and how seniors may borrow money after owning a home by taking out a "reverse mortgage."

Also in this issue is a look at how the FDIC is working with banks, nonprofit organizations and other government agencies to bring more low- and moderate-income Americans into the financial mainstream by improving access to safe, secure and affordable banking services.

The Summer 2017 FDIC Consumer News can be read or printed at www.fdic.gov/consumers/consumer/news/cnsum17 , with e-reader and portable audio (MP3) versions forthcoming. Additionally, in the coming weeks a Spanish-language version will be posted at www.fdic.gov/quicklinks/spanish.html.

Comment: Although directed at consumers, the FDIC Consumer News items can be useful in training bank staff to recognize potential elder financial abuse scams. Remember, too, that you can share these with customers or post to your web site as part of your financial literacy outreach.

FDIC Announces Improvements to Deposit Insurance Education Materials

The Federal Deposit Insurance Corporation (FDIC) [today] announced significant new improvements to the deposit insurance education materials available on the FDIC's website, www.fdic.gov. The enhancements are designed to improve the accessibility and presentation of deposit insurance information for the general public through organizational changes as well as through the expanded use of explanatory videos and interactive infographics. The changes are designed to allow the public to quickly access basic information while still offering the in-depth and comprehensive deposit insurance information that has traditionally been available. The FDIC will also continue to offer the Electronic Deposit Insurance Estimator (EDIE), where the public can enter their bank information to determine whether their deposits are fully insured.

FDIC Chairman Martin J. Gruenberg said, "Deposit insurance is a foundation of public confidence in the banking system. In over 80 years of operation, the FDIC has never failed to live up to our promise of protecting every penny of insured deposits. Continuing to improve public understanding about how deposit insurance works is fundamental to carrying out this important mission."

The FDIC's new deposit insurance webpage can be found at www.fdic.gov/deposit/.

OCC actions

OCC Issues New Comptroller's Licensing Manual Booklet

The Office of the Comptroller of the Currency (OCC) issued today [June 19, 2017] the "Articles of Association, Charter, and Bylaw Amendments" booklet of the *Comptroller's Licensing Manual.* This new booklet consolidates the OCC's policies and procedures regarding articles of association amendments for national banks, charter amendments for federal savings associations, and bylaw amendments for national banks and federal savings associations.

Note for Community Banks - This guidance applies to all national banks and federal savings associations.

Comment: To read OCC Bulletin 2017-23, click here***.***

OCC Issues FAQ to Supplement OCC Bulletin 2013-29 on Third Party Relationships

The Office of the Comptroller of the Currency (OCC) is issuing frequently asked questions (FAQ) to supplement OCC Bulletin 2013-29, "Third-Party Relationships: Risk Management Guidance," issued October 30, 2013.

Note for Community Banks - This bulletin addresses questions from national banks and federal savings associations regarding guidance in OCC Bulletin 2013-29. This bulletin and OCC Bulletin 2013-29 are applicable to all banks.

Comment: To read OCC Bulletin 2017-21, click here***. Many of the questions are directed to specific fintech concerns. However, the FAQs raise an intriguing possibility of co-op efforts to manage due diligence of these third party relationships through appropriate sharing. Check for any vendor Non-Disclosure Agreements before sharing, however.***

OCC Issues Revised Comptroller's Licensing Manual Booklet

The Office of the Comptroller of the Currency (OCC) issued today the "Termination of Federal Charter" booklet of the Comptroller's Licensing Manual. This revised booklet replaces the "Termination of National Bank Status" booklet issued in April 1998. The booklet incorporates termination procedures and requirements updated after the Office of Thrift Supervision's integration with the OCC on July 21, 2011, and revised regulations (12 CFR 5) that became effective July 1, 2015, addressing termination of both national banks and federal savings associations (collectively, banks).

Note for Community Banks - This guidance applies to all national banks and federal savings associations.

Comment: To read OCC Bulletin 2017-20, click here***.***

OCC Hosts Operational Risk Workshop in West Virginia

WASHINGTON — The Office of the Comptroller of the Currency will host a workshop in Charleston, W.V., at the Holiday Inn & Suites Charleston West, July 25, for directors of national community banks and federal savings associations supervised by the OCC.

The Operational Risk workshop focuses on the key components of operational risk—people, processes, and systems. The workshop also covers governance, third-party risk, vendor management, and cybersecurity.

The workshop fee is $99 and open to directors of national community banks and federal savings associations supervised by the OCC. Participants receive a pre-workshop reading package and course materials, and assorted supervisory publications. The workshop is limited to the first 35 registrants.

The workshop is taught by experienced OCC staff and is one of the 35 offered nationwide to enhance and expand the skills of national community bank and federal savings association directors. For information, including a complete list of available workshops, or to register for a workshop, visit www.occ.gov/occworkshops or call (240) 485-1700.

OCC Hosts Risk Governance and Compliance Workshops in Ohio

WASHINGTON — The Office of the Comptroller of the Currency will host two workshops in Cleveland at the Crowne Plaza Cleveland South, July 18-19, for directors of national community banks and federal savings associations supervised by the OCC.

The Risk Governance workshop on July 18 combines lectures, discussion, and exercises to provide practical information for directors to effectively measure and manage risks. The workshop also focuses on the OCC's approach to risk-based supervision and major risks in the financial industry.

The Compliance Risk workshop on July 19 combines lectures, discussion, and exercises on the critical elements of an effective compliance risk management program. The workshop also focuses on major compliance risks and critical regulations. Topics of discussion include the Bank Secrecy Act, Flood Disaster Protection Act, Fair Lending, Home Mortgage Disclosure Act, Community Reinvestment Act, and other compliance areas of interest.

The workshop fee is $99. Participants receive a pre-workshop reading package and course materials, and assorted supervisory publications. The workshop is limited to the first 35 registrants.

The workshops are taught by experienced OCC staff and are offered nationwide to enhance and expand the skills of national community bank and federal savings association directors. To register for this workshop, visit https://occ.seiservices.com/ or call (240) 485-1700.

OCC Updates Policies and Procedures Regarding Violations of Laws and Regulations

The Office of the Comptroller of the Currency (OCC) updated today its policies and procedures regarding violations of laws and regulations. This policy is effective on July 1, 2017. These updates are reflected in the "Bank Supervision Process," "Community Bank Supervision," "Federal Branches and Agencies," and "Large Bank Supervision" booklets and other sections of the Comptroller's Handbook and internal guidance.

The OCC's updated policies and procedures on violations of laws and regulations address recommendations in "An International Review of OCC's Supervision of Large and Midsize Institutions" (International Peer Review report) and support the agency's mission of ensuring a safe and sound federal banking system by emphasizing timely detection and correction of violations before they affect a bank's condition. The updated policies and procedures also provide the agency with guidelines on consistent terminology, communication, format, follow-up, analysis, documentation, and reporting of violations.

Note for Community Banks - The updated policies and procedures apply to examinations of all national banks, federal savings associations, and federal branches and agencies (collectively, banks).

Comment: To read OCC Bulletin 2017-18, click** here**.

Federal Reserve actions

FRB Propose Amendment to Regulation CC Availability of Funds and Collection of Checks

The Federal Reserve Board on Wednesday [May 31, 2017] announced final amendments to the check collection and return provisions in Regulation CC (Availability of Funds and Collection of Checks) and also requested further public comment on an additional proposed amendment to Regulation CC's liability provisions.

The final amendments update Regulation CC to reflect the evolution of the nation's check collection system from one that is largely paper-based to one that is virtually all electronic. The amendments create a framework for electronic check collection and return and create new warranties for electronic checks, which will result in a consistent warranty chain regardless of the check's form. As with existing rules for paper checks, the parties may, by mutual agreement, vary the effect of the amendments' provisions as they apply to electronic checks and electronic returned checks. The final amendments also modify the expeditious-return and notice of nonpayment requirements to create incentives for electronic presentment and return. The amendments become effective July 1, 2018.

In response to comments received, the Board is also requesting comment on proposed language amending Regulation CC's existing liability provisions to include a presumption that a substitute or electronic check was altered instead of forged in certain cases of doubt. Comments on the proposed amendments are requested within 60 days of publication in the Federal Register, which is expected shortly.

Comment: This proposed amendment to Regulation CC's includes a presumption that a substitute or electronic check was altered instead of forged in certain cases of doubt. Comments on the proposed amendments are requested within 60 days of publication in the Federal Register. To Read the Proposed rule, click here***. The FRB also published its final amendment to Regulation CC, which deals with RDC issues. The risk for double depositing of an item is placed on the bank that accepts the item through remote deposit capture. However, a clear endorsement reflecting that the item is "mobile deposit only" can reduce that risk. Click*** here ***for the final rule which becomes effective July 1, 2018.***

Other federal action and news

Treasury Releases First Report on Core Principles of Financial Regulation Stimulating Economic Growth, Increasing Access to Capital & Taxpayer Protection Are Top Priorities

Washington, D.C. – The U.S. Department of the Treasury today [June 12, 2017] issued its first in a series of reports to President Donald J. Trump examining the United States' financial regulatory system and detailing executive actions and regulatory changes that can be immediately undertaken to provide much-needed relief.

"Properly structuring regulation of the U.S. financial system is critical to achieve the administration's goal of sustained economic growth and to create opportunities for all Americans to benefit from a stronger economy," said U.S. Treasury Secretary Steven T. Mnuchin. "We are focused on encouraging a market environment where consumers have more choices, access to capital and safe loan products – while ensuring taxpayer-funded bailouts are truly a thing of the past."

Over the past four months, Secretary Mnuchin and other Treasury officials met with hundreds of stakeholders across the financial ecosystem, including community, independent, regional and large banks, regulators, FSOC members, consumer advocates, academics, analysts and investors. These listening sessions provided a very clear picture of redundancy, fragmentation, and inefficiency in our regulatory framework.

"We congratulate the House on passing the Financial CHOICE Act. The report we are releasing today focuses on solutions the Executive Branch can execute through regulatory changes and executive actions. We look forward to working on a parallel track with Congress to provide swift relief, particularly to community banks," said Mnuchin.

Comment: One proposal in the report would provide a community with a 10 percent leverage ratio relief from the tougher regulatory constraints imposed on others, including all capital and liquidity requirements, nearly all aspects of Dodd-Frank's enhanced prudential standards, as well as the Volcker rule. The report is posted on Treasury's website at: https://www.treasury.gov/press-center/press-releases/Documents/A%20Financial%20System.pdf ***.***

FTC to Host Military Consumer Workshop

The FTC will host a "Military Consumer Financial Workshop: Protecting Those Who Protect Our Nation" at Trinity University in San Antonio, Texas on July 19, 2017, to examine financial issues and scams that can affect military consumers, including active duty servicemembers in all branches and veterans.

The one-day workshop also will discuss FTC resources available to military consumer advocates and representatives on financial readiness and fraud prevention. The workshop will bring together military consumer advocates, consumer groups, government representatives (local, state, and federal), military legal services and legal clinics (including those at universities), and all service branches and industry representatives.

Topics of discussion will include:

- Auto purchase, financing, and leasing
- Student and other lending, including installment credit practices
- Information security issues
- Financial literacy and capability, including identity theft and financial resources
- Avoiding scams

Panelists interested in participating in this workshop should email any relevant information to: militaryconsumerworkshop@ftc.gov (link sends e-mail).

Comment: If your bank is in an area with a large military presence, you may want to consider this workshop carefully.

Publications, articles, reports, studies, testimony & speeches

FRB Community Banking Connections - *Considerations for Banks Thinking About Migrating to a Dot-Bank Domain Name*

As consumers and businesses increasingly conduct their financial transactions online, banks are paying more attention to their domain names, which are the portals to their browser-based banking platforms. When choosing a domain name, bankers should consider selecting a name that will enhance the security of the bank's website, appear in top search results, extend the bank's brand, avoid trademark infringement, and be easy for customers to key in and remember.

While banks have large latitude in selecting the portion of their domain name to the left of the dot, called the subdomain, their options have been limited until recently in selecting the domain extension at the end of their web address, or to the right of the dot, known as the top-level domain (TLD) (e.g., .com, .gov). As of 2012, only 21 TLDs were available, and some of these were available only to qualifying applicants (e.g., .edu is limited to U.S.-affiliated institutions of higher education). As a result, most banks have been using the dot-com TLD, which indicates a commercial organization.

Comment: To read the first 2017 issue of Community Banking Connections, click here***.***

FBI Tech Tuesday: Building a Digital Defense with an Email Fortress

Businesses Beware—Fraudsters want to cash in on digital data, and your vulnerable e-mail account can give them the keys to the kingdom. One of the biggest dangers lurking in your in-box is a version of a phishing scheme.

In this case, the fraudster sends you what appears to be a legitimate e-mail. He may have hacked someone else's e-mail account to get to you, or he may have "spoofed" an e-mail address making it look real.

Either way, his goal is to get you to give him access to your company and/or your cash. In this phishing scheme, an embedded link is the hook with which he will attempt to catch you.

Comment: At the start of 2016, the FBI warned that it had seen a 270% increase in CEO scams, also known as Business Email Compromise (BEC) scams. To read the article from the FBI Portland office, click here***.***

Selected federal rules proposed

Proposed rules are included only when community banks may want to comment. Date posted may not be the same as the Federal Register Date.

Posted Date	SUMMARY OF PROPOSED RULE
05.31.2017	The Board is proposing to amend Regulation CC to address situations where there is a dispute as to whether a check has been altered or is a forgery, and the original paper check is not available for inspection. Closing date for comments: 08.01.2017.
04.13.2017	The Bureau of Consumer Financial Protection (Bureau) proposes amendments to Regulation C to make technical corrections to and to clarify certain requirements adopted by the Bureau's Home Mortgage Disclosure (Regulation C) final rule (2015 HMDA Final Rule or the Final Rule), which was published in the *Federal Register* on October 28, 2015. The Bureau also proposes a new reporting exclusion. Comments on the proposal will be due 30 days after it is published in the Federal Register.

Selected federal rules - upcoming effective dates

Not all final rules are included. Only rules affecting community banks are reported, but we make no guarantees that these are all the final rules your bank needs to know about.

EFFECTIVE DATE:	SUMMARY OF FINAL RULE:
09.30.2017	Joint Agencies: Loans in Areas Having Special Flood Hazards A lender that loses the small lender exemption shall mail or deliver to the borrower no later than September 30 of the first calendar year in which the lender loses its small lenders exemption a notice in writing, or if the borrower agrees, electronically, informing the borrower of the option to escrow all premiums and fees for any required flood insurance and the method(s) by which the borrower may request escrow, using language similar to the model clause in appendix B. A lender loses the exemption when its assets are ≥ $1 billion. This applies to any loan secured by residential improved real estate or a mobile home that is outstanding on July 1 of the first calendar year in which the lender no longer qualifies for the small lender exemption (exception is for lenders with <$1 billion in assets).
10.01.2017	Prepaid Accounts under the Electronic Fund Transfer Act (Regulation E) and the Truth In Lending Act (Regulation Z). The CFPB is issuing this final rule to create comprehensive consumer protections for prepaid accounts under Regulation E, which implements the Electronic Fund Transfer Act; Regulation Z, which implements the Truth in Lending Act; and the official interpretations to those regulations. The final rule modifies general Regulation E requirements to create tailored provisions governing disclosures, limited liability and error resolution, and periodic statements, and adds new requirements regarding the posting of account agreements. Additionally, the final rule regulates overdraft credit features that may be offered in conjunction with prepaid accounts. Subject to certain exceptions, such credit features will be covered under Regulation Z where the credit feature is offered by the prepaid account issuer, its affiliate, or its business partner and credit can be accessed in the course of a transaction conducted with a prepaid card. DATES: This rule is effective on October 1, 2017. The requirement in § 1005.19(b) to submit prepaid account agreements to the Bureau is delayed until October 1, 2018. See the CFPB's prepaid rule implementation page. ***Comment: The CFPB issued a Final Rule on April 25, 2017 delaying to delay the October 1, 2017 effective date of the rule governing Prepaid Accounts Under the Electronic Fund Transfer Act (Regulation E) and the Truth in Lending Act (Regulation Z) (the Prepaid Accounts Final Rule) by six months, until April 1, 2018.***
10.03.2017	Although the Military Lending Act was effective October 3, 2016, credit cards are exempt until October 3, 2017. 80 Fed Reg 43560
10.19.2017	Mortgage Servicing Rules. The CFPB updated its mortgage servicing rules and expanded foreclosure protections. The final rule provides protections when a mortgage is transferred between servicers. Mortgage servicers must now offer mitigation services more than once if a borrower brings their mortgage current, then again becomes delinquent. The rule provides additional protections to mortgagors who acquired the mortgage, often through death or divorce. The rules require servicers to provide periodic statements to borrowers in bankruptcy in certain circumstances. The statements must contain specific information tailored for bankruptcy and about loss mitigation options. The CFPB published a summary for consumers on its website. **Servicers have a full year from the October 19, 2016, publication date (and for some changes 18 months) to implement the rules**.

10.19.2017	Safe harbors from FDCPA liability for actions complying with mortgage servicing rules under RESPA and Reg. Z. The CFPB specified mortgage servicing rules in Regulations X and Z. This interpretive rule constitutes an advisory opinion for purposes of the FDCPA and provides safe harbors from liability for servicers acting in compliance with specified mortgage servicing rules in three situations: Servicers do not violate FDCPA section 805(b) when communicating about the mortgage loan with confirmed successors in interest in compliance with specified mortgage servicing rules in Regulation X or Z; servicers do not violate FDCPA section 805(c) with respect to the mortgage loan when providing the written early intervention notice required by Regulation X to a borrower who has invoked the cease communication right under FDCPA section 805(c); and servicers do not violate FDCPA section 805(c) when responding to borrower-initiated communications concerning loss mitigation after the borrower has invoked the cease communication right under FDCPA section 805(c).
01.01.2018	***Home Mortgage Disclosure (Regulation C).*** The CFPB amended Regulation C to implement amendments to HMDA made by section 1094 of the Dodd-Frank Act. Consistent with section 1094 of the Dodd-Frank Act, the CFPB is adding several new reporting requirements and clarifying several existing requirements. The CFPB is also modifying the institutional and transactional coverage of Regulation C. The final rule also provides extensive guidance regarding compliance with both the existing and new requirements. ***Comment: In 2018, all banks covered by Regulation C that originated at least 25 covered closed-end mortgage loans in either of the two preceding calendar years (2016 and 2017), OR all banks covered by Regulation C that originated at least 100 covered open-end lines in either of the two preceding calendar years (2016 and 2017) must report. Those reports are due in 2019. For HMDA data collected on or after January 1, 2018, bank's will collect, record, and report additional information about originations of, purchases of, and applications for covered loans. Data collection and reporting applies to most residential mortgage loan applications regardless of their ultimate disposition; it is not limited to loans that are approved. There are 25 new data points.***
04.01.2018	Prepaid Accounts under the Electronic Fund Transfer Act (Regulation E) and the Truth In Lending Act (Regulation Z). The CFPB is issuing this final rule to create comprehensive consumer protections for prepaid accounts under Regulation E, which implements the Electronic Fund Transfer Act; Regulation Z, which implements the Truth in Lending Act; and the official interpretations to those regulations. The final rule modifies general Regulation E requirements to create tailored provisions governing disclosures, limited liability and error resolution, and periodic statements, and adds new requirements regarding the posting of account agreements. Additionally, the final rule regulates overdraft credit features that may be offered in conjunction with prepaid accounts. Subject to certain exceptions, such credit features will be covered under Regulation Z where the credit feature is offered by the prepaid account issuer, its affiliate, or its business partner and credit can be accessed in the course of a transaction conducted with a prepaid card. DATES: This rule was originally effective on October 1, 2017 but a Final Rule published April 25, 2017 amended the effective date until April 1, 2018. The requirement in § 1005.19(b) to submit prepaid account agreements to the Bureau is delayed until October 1, 2018. See the CFPB's prepaid rule implementation page.
05.11.2018	FinCEN is issued final rules under the Bank Secrecy Act to clarify and strengthen customer due diligence requirements for: Banks; brokers or dealers in securities; mutual funds; and futures commission merchants and introducing brokers in commodities. The rules contain explicit customer due diligence requirements and include a new requirement to identify and verify the identity of beneficial owners of legal entity customers, subject to certain exclusions and exemptions.
07.01.2018	***Availability of Funds and Collection of Checks*** The Board is amending subparts A, C, and D of Regulation CC, Availability of Funds and Collection of Checks (12 CFR part 229), which implements the Expedited Funds Availability Act of 1987 (EFA Act), the Check Clearing for the 21st Century Act of 2003 (Check 21 Act), and the official staff commentary to the regulation.1 In the final rule, the Board has modified the current check collection and return requirements to reflect the virtually all-electronic check collection and return environment and to encourage all depositary banks to receive, and paying banks to send, returned checks electronically. The Board has retained, without change, the current same-day settlement rule for paper checks. The Board is also applying Regulation CC's existing check warranties under subpart C to checks that are collected electronically, and in addition, has adopted new warranties and indemnities related to checks collected and returned electronically and to electronically-created items.
10.01.2018	Prepaid Accounts under the Electronic Fund Transfer Act (Regulation E) and the Truth In Lending Act (Regulation Z). Although the CFPB's rule regarding prepaid accounts is effective 10.01.2017, the requirement to submit account agreements to the CFPB is effective 10.03.2018. See the CFPB's prepaid rule implementation page.

Common words, phrases, and acronyms

APOR	"Average Prime Offer Rates" are derived from average interest rates, points, and other pricing terms offered by a representative sample of creditors for mortgage transactions that have low-risk pricing characteristics.
CARD Act	Credit Card Accountability Responsibility and Disclosure Act of 2009

CFPB	Consumer Financial Protection Bureau
CFR	Code of Federal Regulations. Codification of rules and regulations of federal agencies.
CRA	Community Reinvestment Act. This Act is designed to encourage loans in all segments of communities.
CRE	Commercial Real Estate
CSBS	Conference of State Bank Supervisors
CTR	Currency Transaction Report. Filed for each deposit, withdrawal, exchange of currency that involves a transaction in currency of more than $10,000.
Dodd-Frank Act	The Dodd–Frank Wall Street Reform and Consumer Protection Act
DOJ	Department of Justice
FDIC	Federal Deposit Insurance Corporation
EFTA	Electronic Fund Transfer Act
Federal bank regulatory agencies	FDIC, FRB, and OCC
Federal financial institution regulatory agencies	CFPB, FDIC, FRB, NCUA, and OCC
FEMA	Federal Emergency Management Agency
FFIEC	Federal Financial Institutions Examination Council
FHFA	Federal Housing Finance Agency
FHA	Federal Housing Administration
FinCEN	Financial Crime Enforcement Network
FR	Federal Register. U.S. government daily publication that contains proposed and final administrative regulations of federal agencies.
FRB, Fed or Federal Reserve	Federal Reserve Board
FSOC	Financial Stability Oversight Council
FTC	Federal Trade Commission
GAO	Government Accountability Office

HARP	Home Affordable Refinance Program
HAMP	Home Affordable Modification Program
HMDA	Home Mortgage Disclosure Act
HOEPA	Home Ownership and Equity Protections Act of 1994
HPML	Higher Priced Mortgage Loan
HUD	U.S. Department of Housing and Urban Development
IRS	Internal Revenue Service
MLO	Mortgage Loan Originator
MOU	Memorandum of Understanding
NFIP	National Flood Insurance Program. U.S. government program to allow the purchase of flood insurance from the government.
NMLS	National Mortgage Licensing System
OCC	Office of the Comptroller of the Currency
OFAC	Office of Foreign Asset Control
OREO	Other Real Estate Owned
QRM	Qualified Residential Mortgage
Reg. B	Equal Credit Opportunity
Reg. C	Home Mortgage Disclosure
Reg. DD	Truth in Savings
Reg. E	Electronic Fund Transfers
Reg. G	S.A.F.E. Mortgage Licensing Act
Reg. P	Privacy of Consumer Financial Information
Reg. X	Real Estate Settlement Procedures Act
Reg. Z	Truth in Lending
RESPA	Real Estate Settlement Procedures Act
SAR	Suspicious Activity Report – Report financial institutions file with the U.S. government (FinCEN) regarding activity that may be criminal in nature.
SDN	Specially Designated National
TILA	Truth in Lending Act
TIN	Tax Identification Number
Treasury	U.S. Department of Treasury