

# November 2018 LFR

## Hot Topics

- **FEDERAL ISSUES**
  - NCUA Finalizes RBC Rule at October Meeting
  - Compliance: NCUA Announces Nov. 14 HMDA Webinar
  - Credit union awareness campaign
- **STATE ISSUES**
  - Proposed Rulemaking of Revised Uniform Unclaimed Property Act
  - Fall Veto Session: November 13-15 and November 27-29
  - 2019 Legislative Agenda
- **CUPAC & POLITICAL ADVOCACY**
  - Credit Union Donations to CUPAC Corporate Campaign Requested
  - 2019 CUNA GAC (March 10-14) Time to register

## Federal Advocacy

### Federal Legislative and Regulatory Update

Both the US House and the Senate are in recess until after the midterm elections. Items to watch for after the election include:

- \*Potential Omnibus bill to fund the government (current funding ends December 7, 2018)
- \*Clean up bill for the Tax cut bill passed earlier this year

ICUL and CUNA will be monitoring these and other issues for their potential impact on credit unions.

### Regulatory Implementation of S2155

As part of S2155, NCUA is required to conduct annual public budget briefings and accept public comments. CUNA's Chief Economist, Mike Schenk, testified for Credit Unions at NCUA Budget Briefing during its October Board meeting. Public comment and budget transparency for the NCUA budget were important components of S 2155.

### NCUA Finalizes RBC Rule at October Meeting

The RBC rule NCUA passed this month is a step in the right direction: it delays implementation until Jan. 1, 2020, and raises the threshold for risk-based capital to \$500 million in assets, up from \$100 million.

### Compliance: NCUA Announces Nov. 14 HMDA Webinar

NCUA will address recent changes to Home Mortgage Disclosure Act (HMDA) and other federal consumer protection laws and regulations during a free webinar [scheduled](#) for Nov. 14. [Registration](#) is now open, and the webinar is expected to begin at 2 p.m. (ET) on Nov. 14.

This webinar will cover amendments to HMDA and other consumer financial protection laws made by the Economic Growth, Regulatory Relief, and Consumer Protection Act (S. 2155). It will also include

discussions on the Bureau of Consumer Financial Protection's Interpretive and Procedural Rule implementing the HMDA changes.

CUNA [hosted](#) a webinar earlier this month with the Bureau of Consumer Financial Protection, covering several technical and operational aspects of the bureau's new HMDA rule.

## **CUNA Wrote to the Senate Banking Committee Prior to Hearing on S2155**

### **Implementation**

CUNA recently wrote to Chairman Crapo and Ranking Member Brown prior to the Senate Banking Committee's hearing entitled, "Implementation of the Economic Growth, Regulatory Relief, and Consumer Protection Act." In the letter, CUNA requested guidance on the consumer protection-related provisions to be fulfilled by the Bureau of Consumer Financial Protection, specifically relating to the Home Mortgage Disclosure Act, the Truth in Lending Act Qualified Mortgage requirements, and the Truth in Lending Act-Real Estate Settlement Procedures Act (TILA-RESPA) Integrated Disclosures (TRID). The Bureau is expected to consider implementing many of the changes enacted in S2155 as part of its 2019 rulemaking agenda.

## **S3503 Would Place Credit Unions Under CRA**

CUNA wrote to all 100 Senators opposing a provision in S3503 that would apply the Community Reinvestment Act (CRA) of 1977 to credit unions in 2018. While S3503 has a laudable goal, its provision to extend the Community Reinvestment Act (CRA) to credit unions runs counter to the goal of increasing access to credit. Wall Street has fought for decades to saddle credit unions with the CRA, which was written exclusively to combat widespread discriminatory bank lending practices. There is zero evidence of systemic lending discrimination in the credit union industry.

## **Credit Union Awareness Campaign**

CUNA is hosting a webinar series to share the 'Open Your Eyes to a Credit Union' campaign: This initiative will amplify the voice of the entire credit union movement. For an inside look at the research, creative, and digital strategies driving this campaign, be sure to join our member-exclusive Awareness Initiative Webinar Series:

- Oct. 22 – Bringing the Campaign to Life (recorded version available)
- Nov. 14 – Through a Consumer's Eyes
- Dec. 10 – Digital-First Deployment

## **State Advocacy**

### **Election**

In Illinois, the upcoming election has been the focus of incumbents and candidates across the state as we near election day on November 6, 2018. ICUL staff has continued to meet with candidates in an effort to identify those who would view credit union issues favorably.

## **Proposed Rulemaking of Revised Uniform Unclaimed Property Act**

ICUL staff is in the process of reviewing and commenting on proposed rulemaking pertaining to the recently enacted Revised Uniform Unclaimed Property Act. ICUL has identified areas where the rulemaking could be improved, and will continue our efforts toward ensuring that the law and pertinent rulemaking is clear for credit unions as holders of unclaimed property.

### **Veto Session**

Illinois legislators will return to Springfield for fall veto session occurring November 13-15 and November 27-29. ICUL is focused on the passage of HB 3806, which contains ICUL initiated amendments to the Revised Uniform Unclaimed Property Act. The measure passed the Senate in the final days of the spring session and awaits action by the House. Additionally, ICUL will be monitoring measures that the Governor amendatorily vetoed, including HB 4922 which prohibits fees on rebate cards issued by retailers. ICUL will urge legislators not to override the Governor's veto of the bill.

### **2109 Legislative Agenda**

The Legislative Committee met on September 4 to begin discussing potential 2019 legislative initiatives. Staff is in the process of drafting potential legislation for review by the Legislative Committee at their December meeting. After proposals are approved by the Committee, staff will work to get the legislation filed at the start of the new General Assembly session.

### **Notarization Task Force**

Illinois has established a Notarization Task Force on Best Practices and Verification Standards to Implement Electronic Notarization. The objective of the Task Force is to study the issue of whether Illinois should implement an electronic system for notaries. The Task Force will consider how we can utilize notaries with electronic notarization credentials and what types of documents would be most prevalently subject to electronic notarization. The credit union industry has been authorized to designate an individual to serve on the Task Force, which primarily meets in Chicago. If you, or someone you know, is interested in serving please contact Ashley Sharp at [ashley.sharp@icul.com](mailto:ashley.sharp@icul.com).

## **CUPAC & POLITICAL ADVOCACY**

### **CUPAC**

#### **CUPAC Seeking Credit Union Contributions – there is still time to donate for 2018**

CUPAC is asking state-chartered credit unions (federal credit unions are prohibited by law) & business partners to contribute to its annual corporate fundraising campaign. Monies raised will be used to help elect and re-elect legislators sympathetic to our cause.

There are 182 state-chartered credit unions in Illinois. As of October 17, only seventy-three (73) credit unions have contributed ([click to see if your credit union has donated](#)). This equates to 40.1% of credit unions contributing their fair share, benefiting the other 59.9%. We truly appreciate all donations and hope more credit unions will recognize the importance. Please do your fair share. [Click for donor levels and additional information.](#)

Although federal credit unions are prohibited by law from making contributions to political action committees, their employees and volunteers face no such restrictions. A number of programs are available to assist federally-chartered credit unions to contribute their fair share to CUPAC, including the payroll deduction program. A portion of eligible contributions made to CUPAC are transferred to the Credit Union Legislative Action Council (the federal PAC) to be used on behalf of federal legislators.

Contact Pat Huffman for additional information on the corporate program or other ways you can contribute to CUPAC.

### **Chapter Competition & Disbursement Forms – 5 more needed for 2018**

Each year, Chapter Chairmen are asked to sign and return a “Chapter Disbursements to CUPAC” form to allow CUPAC to use funds raised at chapter fundraising events for donations to legislative candidates. The [chapter competition report as of 10/17/18](#) indicates via an “x” in the Disbursement Form column which chapters have returned the form. Our goal is to have 100% returned. If your chapter has not yet returned the form, your assistance in obtaining the signed form is greatly appreciated. **If you need another copy [click here](#) or please e-mail Pat Huffman (Pat.Huffman@icul.com).**

### **2019 ICUL Dues Invoice Includes Option for CUPAC Corporate Contribution**

State-chartered credit unions now have the opportunity to make their annual corporate donation to CUPAC at the same time ICUL dues are paid. To assist in determining a donation amount, a recommended contribution, based on asset size (as indicated above), is included. Of course, contributions to CUPAC are accepted at any time of year. If your credit union would rather contribute mid-year, CUPAC will send a donation request at that time.

## **POLITICAL ADVOCACY**

### **2019 CUNA GAC March 10-14 (later than usual in 2019) – Register and book hotel now**

Registration and hotel reservations are now being accepted for the 2019 CUNA Governmental Affairs Conference (GAC) and ICUL related events. [Agenda and registration form available on ICUL website.](#)

***Conference Registration Deadline: 1/31/2019***

***Conference Cancellation Deadline: 1/31/19 (refund, less CUNA’s 25% Administration fee. No refund after 1/31)***

***Hotel Reservation Deadline: 1/25/19 (or until sold out. Rooms limited)***

***Hotel Cancellation Deadline: 12/14/18 (after this date subject to one night’s room & tax)***

Small Credit Union Discount: CU assets under \$50 million

Financial Assistance: ICU Foundation Scholarship Deadline 1/18/2019

Illinois once again has a hotel room block at the Grand Hyatt Hotel. If you want to stay in the Illinois group hotel, please [click here for hotel reservations.](#)

### **Credit Unions Vote!**

