

# LEGISLATIVE REPORT



February 2019

## Hot Topics

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- o Illinois credit unions step up to offer assistance to members impacted by the federal government shutdown
- o New Congress convenes-Illinois members appointed to key committees
- o ICUL meets with CFPB Director Kraninger in Chicago

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- o CUPAC Wine Pull – ICUL Convention
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Federal Update



## Federal Advocacy

### ILLINOIS CREDIT UNIONS STEP UP TO OFFER ASSISTANCE TO MEMBERS IMPACTED BY THE FEDERAL GOVERNMENT SHUTDOWN

Many Illinois credit unions have members that could have been impacted by the federal government shutdown. Federal and state policymakers have taken note of the programs offered by Illinois' credit unions to their members during the time of the shutdown. ICUL and our member credit unions have participated in Congressional town hall meetings and advised our federal and state policymakers of the ongoing efforts of credit unions to serve their members impacted by the shutdown. While the impasse

has ended (until at least February 15, 2019), ICUL and CUNA are calling on credit unions who provided assistance to furloughed members during the government shutdown to fill out [survey on shutdown assistance](#) efforts. The survey will take approximately 10 minutes, and is vital to quantifying credit union services during the shutdown.

## **NEW CONGRESS CONVENES-ILLINOIS MEMBERS APPOINTED TO KEY COMMITTEES**

While no member of the Illinois Congressional delegation is a committee chair, several members serve on committees of interest to credit unions including:

House Financial Services: Foster, Casten, Garcia

House Ways and Means: D. Davis, Schneider, LaHood

House Appropriations: Quigley, Bustos

House Energy and Commerce: Casten, Underwood

Much of the legislation impacting credit unions (ranging from regulatory relief, tax reform, data security, and funding for programs such as CDFI), go through these committees. As this session of Congress progresses, ICUL looks forward to working with the members of our Illinois Congressional delegation that serve on these key committees.

## **ICUL MEETS WITH NEW MEMBERS OF CONGRESS**

As part of our ongoing advocacy efforts, ICUL has reached out to the new members of our Congressional delegation (Cong. Casten, Garcia, and Underwood.) Meetings have (or will) occur both in their districts and prior to the GAC in their Washington offices. Please contact us if you'd like to invite one of the new members to tour your credit union!

## **ICUL MEETS WITH CFPB DIRECTOR KRANINGER IN CHICAGO**

ICUL recently participated in a "listening session" with CFPB Director Kraninger and several Illinois credit unions to discuss issues pending before CFPB.

Staff from the Illinois Credit Union League and Illinois credit unions met with Consumer Financial Protection Bureau (CFPB) Director Kathy Kraninger Monday, February 4.

The delegation included representatives from 14 credit unions, ranging in asset size of more than \$10 billion (and thus supervised by the CFPB) to \$20 million. The group - comprised of CEOs and lending, operations and marketing executives - was invited to provide feedback about the bureau and the impact of its rulemaking on credit unions as part of a "listening tour" with Kraninger.

"The main point we wanted to get across was that one-size-fits-all regulations just don't work for the credit union system, and those regulations often lead to excessive regulatory compliance burden on credit unions," said Tom Kane, president of the Illinois Credit Union League. "In addition to our high level message, we welcomed the director's willingness to discuss the impact of specific rules on our credit unions."

The Illinois delegation raised the effect of Home Mortgage Disclosure Act reporting, small-dollar lending, and debt collection rulemaking, as well as data collections requirements and data security.

“Our credit unions also shared great stories about how they’ve helped members and their communities, which highlight the credit union difference,” Kane added.

Kraninger was [confirmed](#) to a five-year term as CFPB director in December. CUNA followed up her confirmation with a letter [outlining credit union priorities](#) for the CFPB. CUNA staff also participated in a [roundtable discussion](#) with Kraninger in January.

## HOOD RE-NOMINATED, HARPER NOMINATED FOR NCUA BOARD

On January 16th, 2019 the White House re-nominated Rodney Hood to be a member of the NCUA for a term expiring August 2, 2023. Hood was originally nominated to fill the board seat held by board member Rick Metsger and his nomination expired at the end of the 115th Congress. Hood was appointed vice chairman of NCUA in 2005 by Bush, and served on the board from October 2005 to August 2010.

Additionally, on February 1, 2019 the White House announced their intention to nominate Todd M. Harper to the NCUA’s Board. Harper brings over 25 years of public service in the areas of financial services regulation and policy. Both nominations require Senate confirmation and Board member Metsger continues to serve until the appointments are confirmed.



## State Advocacy

### 101ST GENERAL ASSEMBLY BEGINS

Legislators returned to Springfield last week, and action began on legislative measures filed for consideration in the 101st General Assembly.

ICUL staff is reviewing all legislation filed to determine which bills would have an impact on credit union operations. Committee hearings will take place in the coming weeks and ICUL will provide testimony on bills of concern. Additionally, we met with a coalition of financial institution associations and card company representatives to discuss bills of mutual interest.

### NEW MEMBERS OPEN HOUSE

ICUL hosted an Open House in our Springfield office for new members of the General Assembly. We had over 25 legislators in attendance, including four credit union board members that serve in the General Assembly, as well as the chair of House Financial Institutions Committee. Credit union officials discussed topics of importance to our industry with new legislators.

### ICUL LEGISLATIVE INITIATIVES

We will be filing several initiatives approved by ICUL’s Legislative Committee this spring:

- Illinois Credit Union Act Amendments: *Explicitly authorize electronic communication as a*

*sufficient means of delivering required information to members; clarify reasons for which a credit union member may be expelled by the board of directors; authorizes the board of directors of a credit union to establish reasonable compensation for director and committee members; allows credit unions to retain a minimum share balance on accounts that are presumed abandoned and remitted to the State Treasurer's Office; increase a credit union's CUSO loan and investment authority from 3% to 10% of the credit union's paid in and unimpaired capital and surplus; clarifies that credit unions may provide correspondent services to other entities in addition to credit unions; authorizes credit unions to invest in entities regulated by IDFP; amends credit union merger notification requirements to be consistent with NCUA rules requiring notification at least 45 calendar days but not more than 90 calendar days prior to a merger vote.*

- Amendments to the Revised Uniform Unclaimed Property Act: *Pursue language contained in last year's HB 3806 as agreed upon with the Illinois State Treasurer's Office; pursue an amendment to the Act to address whether ACH activity constitutes owner interest in an account.*
- Illinois Vehicle Code Amendments: *Discuss proposals with the Secretary of State to implement electronic lien and title, address fraudulent lien release letters and discuss identification verification programs between financial institutions and the Secretary of State's Office.*

Additionally, we will remain engaged on the topic of banking for the marijuana industry as legislators consider proposals to legalize recreational marijuana.

The Illinois House and Senate return to Springfield this week for session.



## ADVOCACY

### MEMBER ACTIVATION PROGRAM (MAP): WEBINAR – FEB. 8

CUNA recently launched its first Member Activation/Education Program (MAP) Campaign of 2019 which aims to get credit unions to educate members on the credit union difference. Registration is also open for CUNA's free MAP [webinar](#), which will feature information about MAP and the current campaign, Feb. 8 from 1 to 2 p.m. (CT).

Credit unions know they are a smarter choice for consumers and small businesses because they are not-for-profit, financial cooperatives. The problem is most credit union members do not know the difference. The purpose of this campaign is to educate credit union members about the credit union difference by informing them that they made a smart choice to protect their and their family's financial future. The campaign will ensure credit union members know they are member-owners of an institution that doesn't answer to Wall Street or stockholders, credit unions invest in their local community and its residents.

As with previous campaigns, there will be multiple templates. As is the case with any MAP template, the credit union can alter and edit the text as they see fit. The duration of this campaign will run through CUNA GAC.

## **2019 CHAPTER LEGISLATIVE FORUM REPRESENTATIVE (LFR) DIALOGUE: SAVE THE DATE - MAY 1**

Chapter LFRs (those elected or appointed for 2019) are asked to plan to attend the annual LFR Dialogue session to be held Wednesday morning, May 1, 2019 in Springfield, which is the day following the State Legislative Summit. Invitations will be sent in early 2019.

## **2019 SPRINGFIELD LEGISLATIVE SUMMIT: APRIL 30**

The ICUL Springfield Legislative Summit is scheduled for April 30, 2019. Conference registration materials will be available closer to the conference date.

## **CUPAC 5th Annual CUPAC Wine Pull & Auction Fundraiser**

- Thursday, April 4, 2019, 4:00 pm – 6:00 pm
- ICUL Convention Exhibit Hall (all convention attendees invited to participate)

Donations of bottles of wine, sponsorships and auction items now being accepted. [Click here](#) for more information. Contact Pat Huffman.

## **2018 CHAPTER COMPETITION WINNERS ANNOUNCED**

The 2018 Chapter Competition generated over \$112,000 for CUPAC. The top 3 contributing chapters raised over \$72,000 for CUPAC and legislative scholarships in 2018! Winners of the 2018 Chapter Competition program are:

1st - Southern \$35,700.00 (includes \$8,000 Legislative Scholarships: \$6,000 GAC & \$2,000 SLS)

2nd – Burnett \$22,710.00

3rd - Doig \$14,000.00

The “most improved” chapter award recognizes the chapter that had the highest percentage increase in their fundraising from the prior year (prior year amount must be more than zero). The John L. Kelly Chapter of Credit Unions increased fundraising by 223.91%!

*These chapters will be honored during the June Chapter Leaders Conference.*

Additional Honorable Mentions go to the following chapters for raising \$1,000 or more for CUPAC during 2018:

Bloomington

Boyle

Central Illinois

Greater Chicagoland

Greater Decatur

Illinois Quad

Kankakee Valley

Northwest Illinois

Rockford

Sangamon

Tri County

A special thank you to all chapters that have coordinated fundraisers and made donations to CUPAC. We know you have many choices when deciding how to donate funds, and we appreciate the fact that you recognize the importance of donating to CUPAC. Please express our gratitude to your board and chapter meeting participants. The complete 2018 CUPAC Chapter Competition report as of 12/31/18 can be viewed on the [Advocacy - CUPAC page of the ICUL website](#).

### **NEW CHAPTER LFRS/LFR MEMBERSHIPS/VOTING RIGHTS**

In accordance with CUPAC bylaws, the CUPAC Board of Directors are elected by the chapter Legislative Forum Representatives (LFRs). However, in order for an LFR to be eligible to vote, he or she must be a member of CUPAC and a member of a credit union affiliated with the Illinois Credit Union System. Ballots will be distributed in March. In order for your vote to count, please be sure to renew your [CUPAC membership](#). Join and pay online with credit card <http://2019cupacmemberships.whindo.com>

Many chapters elect new officials/ reps in January or February. If your chapter elects a new LFR, please contact Pat Huffman as soon as possible to inform her of the change.

### **2019 CREDIT UNION AND CHAPTER FORMS REQUESTED**

Honor Roll: Enrollment forms soliciting membership for the 2019 Honor Roll program have been sent to chapter chairman and all credit unions. [Honor roll credit unions and chapters](#) are those in which the entire board of directors, as well as the CEO, enroll as members of CUPAC. Honor Roll credit unions & chapters will be recognized during the Keynote & Awards Ceremony held in conjunction with the League's annual convention. [Honor roll applications](#) should be submitted no later than March 1, to ensure recognition during the Keynote & Awards program.

Chapter Competition & Disbursements to CUPAC: Chapter Chairmen have received a [pledge form](#) for the 2019 CUPAC Chapter Competition program. The form asks chapters to designate a dollar amount it expects to raise for 2019. Chapters are not responsible for pledge amounts not raised; pledges serve as a fundraising goal. Forms should be returned no later than March 15th. The top three contributors will be recognized during the Chapter Leaders' Conference. Additionally, Chapter Chairmen receive a [chapter disbursement to CUPAC form](#). A return of this form allows CUPAC to use funds raised at chapter fundraising events for donation to legislative candidates. Our goal is to have 100% returned. We ask that you help us reach that goal in 2019. These forms are requested each year.

Individual Donations: CUPAC's individual membership program kicks off January 1. Renewals will be mailed to all current members of CUPAC. CEOs who are not presently CUPAC members will receive a separate mailing. If you do not receive a mailing, and would like to enroll, please contact Pat Huffman. [Click here for suggested giving levels and donation form](#).

## Upcoming Events

- March 10-14, 2019: CUNA GAC-Washington, D.C.
- April 4-6, 2019: ICUL Annual Convention-Chicago, IL
- April 29, 2019: CUPAC Spring Golf Outing-Auburn (South of Springfield), IL
- April 30, 2019: ICUL State Legislative Day-Springfield, IL
- June 11, 2019: CUPAC Summer Golf Outing-Bloomington, IL
- Sept. 25-26, 2019: Hike-the-Hill-Washington, D.C

*Contributions are not deductible as charitable contributions for federal income tax purposes. A copy of our report filed with the State Board of Elections is (or will be) available on the Board's official website ([www.elections.il.gov](http://www.elections.il.gov)) or for purchase from the State Board of Elections in Springfield, Illinois. Contributions are strictly voluntary and will be used for political purposes. You have the right to refuse to contribute without reprisal. The above amounts are suggested giving levels. More or less may be contributed. Contributor will not be favored or disadvantaged by reason of the amount contributed or decision not to contribute. A portion or this entire donation may be forwarded to CULAC, the federal political action committee of the Credit Union National Association.*

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