

# LEGISLATIVE REPORT



**March 2019**

## Hot Topics

### Federal Issues

- o CUNA GAC Update
- o Data Security
- o Senate Banking Commity Advances Nominees

### State Issues

- o Legislative Update
- o State Legislative Summit on April 30: [SLS Registration](#)

### CUPAC & POLITICAL ADVOCACY

- o CUPAC Wine Pull/Auction April 4 - ICUL Convention Exhibit Hall
- o Cubs/Cardinals CUPAC Fundraiser - Friday, May 31, 2019 7:15 pm game - St. Louis
- o LFR Dialogue – RSVP requested from Chapter LFRs
- o CUPAC Golf Outing Dates:
  - \* Monday, April 29-Auburn (South of Springfield)
  - \* Tuesday, June 11-Bloomington (Northeast of Naperville)

Federal  Update

## Federal Advocacy

### CUNA GAC UPDATE

A record number of attendees are expected to attend CUNA's GAC which is scheduled for March 10-14, 2019. 88 attendees are registered from Illinois-our highest number ever! Thank you to everyone that is planning to attend. If you are unable to attend, you can still access some of the great information that will be discussed at the GAC on [CUNA's GAC Website](#).

Here are the Top Discussion topics for the GAC:

- Preserving the tax status
- Focus on the credit union difference
- Data security/data privacy legislation
- Cannabis banking Safe Harbor legislation

### **CREDIT UNIONS CONTINUE PUSH FOR DATA SECURITY**

CUNA recently wrote to both the House Energy and Commerce Committee and the Senate Commerce Committee prior to hearings on data privacy. ICUL will be focusing on the issue of data security during our Hill visits at the GAC. Important data security talking points are listed below:

New privacy law and/or data security requirements should:

- Cover both privacy and data security;
- Cover all companies that collect, use or share personal data;
- Be based on protection of data to prevent from theft and misuse. Notification and disclosure after the fact are important, but is not a substitute for adequate protection;
- Provide mechanisms to address the harms that result from privacy and security violations, including data breaches. Individuals and companies should be afforded a private right of action, and regulators should have the ability to take action against entities that violate the law; and
- Preempt state law to simplify compliance and create equal expectation and protection for all consumers, with a goal to create a national standard for all to follow.

### **SENATE BANKING COMMITTEE ADVANCES NOMINEES**

The Senate Banking Committee recently voted to advance the nominations of Rodney Hood and Todd Harper to serve on the NCUA board, and for Mark Calabria to serve as director of the Federal Housing Finance Agency (FHFA). A Senate vote is required to confirm the nominations and the timing of a vote is uncertain at this time.



## **State Advocacy**

### **LEGISLATIVE UPDATE**

The Illinois House and Senate have been in session in recent weeks, acting upon legislation filed in the 101st General Assembly. Nearly 6,000 bills have been introduced and ICUL staff has reviewed and analyzed the legislation to determine what impact, if any, the bills would have on credit union operations.

ICUL is focused on the passage of three primary initiatives, including:

SB 1813, ICUL's proposed amendments to the Credit Union Act, which has passed out of the Senate Financial Institutions committee unanimously. The legislation proposes several changes to the Act, including:

- Section 10.2 (new) Provides that electronic distribution of information satisfies any statutory mailing or disclosure requirement.
- Section 15: Adds to existing illustrative list of reasons for which a Board may expel a member and permits the board to delegate expulsion authority to senior management officials.
- Section 23: To continue to attract competent leadership at the Board level, permits director remuneration as determined by board policy.
- Section 44: Clarifies that in turning over to the State Treasurer member share accounts that are presumed abandoned, the credit union shall retain the minimum share amount required to preserve the member's status as a member.
- Section 51 and 59: To enable credit unions to more fully support their CUSO's, respectively increases a credit union's aggregate CUSO loan and investment authority from 3% to 10% of the credit union's paid in and unimpaired capital and surplus; also authorizes credit unions to invest in entities that are regulated by IDFPR, such as residential mortgage licensees, sales finance agencies, and consumer installment loan act licensees.

**HB 2856** Vehicle Code amendments that mandate Secretary of State implementation of an Electronic Lien and Title system no later than January 1, 2021. ICUL staff has been in discussions with the Secretary of State's Office and other interested parties to finalize the language of this proposal.

**HB 2677** Refiling of Revised Uniform Unclaimed Property Act (RUUPA) language agreed upon with the State Treasurer last session in HB 3806. A number of bills have been filed to amend the Revised Uniform Unclaimed Property Act. ICUL will encourage sponsors of the legislation to proceed with the language agreed to by the State Treasurer's Office in 2018, which is contained in HB 2677.

ICUL has also been working in opposition to several pieces of legislation, and we have been negotiating amendments with interested parties.

ICUL has been working on a draft amendment to proposed changes to statutes affecting post judgment collection remedies. HB 281 has been filed which would significantly impact a creditor's ability to collect judgments. ICUL has participated in meetings with the proponents of the legislation and plans to offer suggested edits to the language to mitigate any negative impact on a credit union's ability to collect judgments.

We have been actively discussing SB 222/HB 2156 with legislators. The identical measures have been cross-filed in the House and Senate to prohibit dormancy and other post issuance fees on rebate cards. ICUL opposes this legislation as it would establish a precedent for fee limitations on financial institution products.

SB 1313/HB2853 are identical pieces of legislation proposed by the State Treasurer's Office that contain amendments to the Revised Uniform Unclaimed Property Act, but the amendments do not reflect the language that was agreed to in previous negotiations. As such, we oppose those measures.

ICUL has been involved in meetings on SB 1296, which proposes to expand the Property Assessed Clean Energy program to residential properties. The legislation deletes provisions that were instrumental in removing the financial institution opposition to earlier versions of the legislation, including requiring mortgage holder consent and protecting lien priority. ICUL opposes SB 1296.

### **GOVERNOR PRITZKER APPOINTS IDFPR SECRETARY DEBORAH HAGAN**

In recent weeks, Governor Pritzker has made appointments to various positions in his administration. Specifically, Deborah Hagan will serve as Secretary of Illinois Department of Financial and Professional Regulation (IDFPR). ICUL has worked closely for several years with Ms. Hagan in her prior role as Chief of the Consumer Protection Division of the Illinois Attorney General's office and we look forward to continuing to work with her in her new role as DFPR Secretary.

Francisco Menchaca will continue to serve as Director of Financial Institutions at IDFPR. Menchaca has held the post since his appointment by Gov. Quinn in July 2013 and previously served the Department as credit union supervisor. ICUL looks forward to continuing our working relationship with Director Menchaca.

### **SLS REGISTRATION NOW OPEN!**

Please mark your calendars and plan to join us in Springfield for the 2019 State Legislative Summit on April 30! With 50 new members of the General Assembly, it is especially important to make your voice heard in Springfield! This event provides a critical opportunity to educate legislators on the credit union difference.

The Springfield area CUPAC outing will be held on Monday, April 29 at Edgewood Golf Club in Auburn, IL.

Registration and sponsorship for both events may be submitted online by visiting [SLS Registraton](#)

### **CUPAC 5TH ANNUAL CUPAC WINE PULL & AUCTION FUNDRAISER**



Thursday, April 4, 2019

4:00 pm – 6:00 pm

ICUL Convention Exhibit Hall

Hilton - Chicago

*Lucky Draw Numbers called at 5:45 pm*

*Live Auction Begins at 5:15 pm*

*Mike Frye Memorial Wine Pull begins at 4 pm until gone*

*Silent Auction tables close at 5:45, 5:50 & 5:55 pm*

All proceeds will benefit CUPAC

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](#) or contact [Pat Huffman](#).

Items:

- Hamilton Play – 2 tickets (Chicago)
- JBL Horizon Bluetooth Clock Radio with USB Charger
- Autographed sports memorabilia
- Coach Purse & Tote
- Michael Kors Purse & phone wallet
- baskets
- And more

**Wine Pull:**

\$20 per pull (while supplies last)

No bottle valued less than \$12.00

Some at \$100 or greater

**Personal funds suggested. Federally chartered credit unions are prohibited by law from making any contributions to a political action committee.** Individuals face no tax restrictions. State chartered credit union contributions to CUPAC that exceed \$100 in aggregate during the year will be subject to a federal income tax at the rate of 21% due by April 15 of the following year. Contributions subject to taxation include the net proceeds to CUPAC from golf outing fees paid by the credit union, cash prize donations paid by the credit union and corporate campaign contributions.

**TWO CUPAC GOLF OUTINGS SCHEDULED**

Springfield area

Monday, April 29th, 2019

Edgewood Golf Club, Auburn

23 miles south of Springfield

(the afternoon before the State Legislative Summit)

|                       |   |
|-----------------------|---|
| Registration & Lunch: | 11:00-11:45 am  |
| Shotgun Start:        | Noon  |
| Dinner:               | 5:00 pm Approximately<br>(dinner upon completion of golf) |

Cost: \$115 Lunch/Golf/Dinner  
\$25 Dinner only

Register on line: [Springfield golf information](#)

Naperville area-Don Edwards Memorial Golf Outing (mark your calendar)

Tuesday, June 11, 2019

Bloomington Golf Club, Bloomington

22 miles Northeast of League Office



## **CARDINALS VS CUBS – BUSCH STADIUM SUITE – FRIDAY, MAY 31, 7:15 PM GAME**

The Burnett Chapter of Credit Unions has arranged an exclusive fundraising event for CUPAC in a luxury suite at Busch Stadium in St. Louis. The St. Louis Cardinals will play the Chicago Cubs.

How special would this be for an early Father's Day gift?

A limited number of tickets are available. Ticket price of \$250.00 includes admission into the game, an air-conditioned suite with outside seating also available, 2 hour all you can eat buffet of hot dogs, brats, nachos, and more as well as Coca-Cola products, Budweiser and Bud Light.

**This event sells out every year.** To reserve your tickets, please contact: [Alan.meyer@1stMidAmerica.org](mailto:Alan.meyer@1stMidAmerica.org)

## **CUPAC ADVOCATES/CAPITOL CLUB RECOGNITION EVENT - SAT. APRIL 6**

Due to its popularity, CUPAC's annual Advocates/Capitol Club Recognition Event will once again be a Breakfast. The breakfast will be held on Saturday, April 6 from 8:00-9:00 am, proceeding the morning sessions at the ICUL convention. Capitol Club Credit Unions (those that contribute \$1,500 or more to CUPAC) and CUPAC Advocate members (\$150 or more personal contribution to CUPAC) have received invitations to attend. To ensure your invitation, please join or renew your Advocate membership. Call Pat Huffman for an enrollment form or obtain it from the ICUL's website: <http://icul.com/advocacy/cupac/support>.

## **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 were distributed in March. In order for your vote to count, please be sure to renew your [CUPAC membership](#).

Many chapters elect new officials/ reps in the first quarter. 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](#) were due February 19, to ensure recognition during the Keynote & Awards program. However they are accepted any time.

Chapter Competition & Disbursements to CUPAC: Chapter Chairmen will receive 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. Please return forms by March 15th or at earliest convenience. The top three contributors will be recognized during the Chapter Leaders' Conference. Additionally, Chapter Chairmen received 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.

# Advocacy

## 2019 CHAPTER LEGISLATIVE FORUM REPRESENTATIVE (LFR) DIALOGUE: MAY 1

Chapter LFRs (those elected or appointed for 2019) are asked to attend the annual LFR Dialogue session to be held Wednesday morning, May 1, 2019 in Springfield. Invitations & registration details have been sent to Chapter LFRs.

## 2019 SPRINGFIELD LEGISLATIVE SUMMIT: APRIL 30

The ICUL Springfield Legislative Summit is scheduled for April 30, 2019. Conference registration information will be distributed in March. [Register online.](#)

## MEMBER ACTIVATION PROGRAM (MAP)-1Q 2019 CAMPAIGN: THE CREDIT UNION DIFFERENCE

The first MAP campaign of 2019 aims to educate members on the credit union difference.

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.

The Member Activation Program (MAP) is a member education program. Once your credit union enrolls in MAP, you customize the draft templates to appeal to your members. There is no cost to participate in MAP and it provides an excellent opportunity to educate and engage members. A well-informed member can be an active member when needed for specific grassroots calls to action.

This is an ongoing program. As with previous campaigns, there will be multiple templates. The credit union decides if it will push it out as is, modify it, or decide against distribution. Examples and templates are available from the [Advocacy section of CUNA's website.](#)

## 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.*

For further information about items in this LFR Report, please contact ICUL's  
Governmental Affairs Staff:

Keith Sias, ICUL Senior Vice President, Governmental Affairs

[Keith.Sias@icul.com](mailto:Keith.Sias@icul.com) or 217-744-1801

Ashley Sharp, ICUL Vice President, State Advocacy & Legislative Counsel

[Ashley.Sharp@icul.com](mailto:Ashley.Sharp@icul.com) or 217-744-1803

Pat Huffman, ICUL Political Action Director

[Pat.Huffman@icul.com](mailto:Pat.Huffman@icul.com) or (800) 942-7124