

LEGISLATIVE REPORT

October 2019

Hot Topics

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- o NDAA (Defense Spending) Bill

State Issues

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CUPAC & Political Advocacy

- o Chapter Disbursement Forms For CUPAC Requested
- o Credit Union Donations To CUPAC Requested
- o Member Activation Campaign (MAP) –New Messaging
- o 2020 CUNA GAC February 23-27: Registration And Hotel Reservations Now Available

Federal Update

Secure & Fair Enforcement (SAFE) Banking Act (H.R. 1505)

On September 25, 2019 the US House voted 321-103 to pass the Secure and Fair Enforcement (SAFE) Banking Act (H.R. 1595), a historic vote that comes months after strong CUNA, League and credit union advocacy on behalf of the bill. The bill would provide legal protections to financial institutions serving state-legalized cannabis-based businesses. The following 16 members of the Illinois Congressional delegation voted Yes on HR 1595:

Bost	Garcia	Quigley
Bustos	Kelly	Rush
Casten	Kinzinger	Schakowsky
D Davis	Krishnamoorthi	Schneider
R Davis	Lipinski	Underwood
Foster		

Credit unions are urged to thank their member of congress via posts on social media or via telephone call. Sample social media posts are below. If you prefer to call your Member of Congress, contact information can be obtained from the following link: <https://www.house.gov/representatives#state-illinois>

Social Media Posts

- Thank you [@RepUsername] for supporting credit unions in our mission to serve small businesses and keep our communities safe. #SAFEBankingAct #CUAdvocacy
- By voting in favor of the historic #SAFEBankingAct, [@RepUsername] has recognized the important role credit unions play in building financial security and community safety. #CUAdvocacy
- Thank you, [@RepUsername] for voting to help us serve small business owners and keep our community safe! #SafeBankingAct #CUAdvocacy
- The #SAFEBankingAct will help us keep our community safe, manage the finances of small businesses in our community, and fulfill our #PeopleHelpingPeople mission. Thank you for voting yes, [@RepUsername]! #CUAdvocacy

ICUL focused on the importance of enacting the SAFE Banking Act as part of our visits with legislators during the August recess period as well as our recent HTH. Our message that the current lack of access to financial services for state-legalized cannabis-based business is a public safety issue and underscores how the lack of clarity also jeopardizes banking access for non-cannabis related businesses around the country that often unknowingly provide cannabis businesses with services from electricity to furniture.

Senate Banking Committee Chairman Mike Crapo (R-Idaho) has promised to hold a vote on the SAFE Act at some point later this Fall.

Thank you again for all of your help in advancing the SAFE Banking Act.

NDAA (Defense Spending Bill) Action Alert

A [grassroots action alert](#) was recently issued on the National Defense Authorization Act (NDAA), asking credit unions to contact their lawmakers and urge them to reject Section 2821 of the Senate version of the bill. If you haven't raised your voice yet – do it now! The House and Senate are still finalizing the bill, and every message we send will make a difference.

Please contact [Keith Sias](#) or [Pat Huffman](#) for more information on Federal legislative issues.



Rulemaking Proposals Stem from ICUL Legislative Initiatives

Following ICUL priority legislation being signed by Governor Pritzker and enacted into law, discussions have been taking place on necessary rulemaking initiatives relevant to the new laws.

SB 1813 (Public Act 101-0567) containing several updates to the Illinois Credit Union Act, amended Section 23 of the Act to authorize director compensation. The legislation requires IDFP to promulgate a rule to establish generally applicable, maximum rates of reasonable compensation for directors.

ICUL has been discussing this topic with credit unions in order to provide feedback to the Department on a potential formula for establishing maximum rates of reasonable compensation. An initial meeting was held in Springfield to discuss the director compensation rulemaking requirement, and we will continue working with the Department to finalize the rulemaking proposal.

HB 2856 (Public Act 101-0490) mandates that the Illinois Secretary of State implement an Electronic Lien and Title (ELT) system by July 1, 2021. A statewide ELT system will benefit all parties to a vehicle sale transaction, including lenders. In coming months, the Secretary of State will promulgate rules to outline the statewide ELT system. ICUL has been researching the issue to identify preliminary components of the ELT system that we believe should be addressed in rulemaking. We will continue working with the Secretary of State and other interested parties to advance this issue in a timely manner.

2020 Legislative Agenda

ICUL staff is working with the Legislative Committee to formulate our legislative priorities for 2020. ICUL anticipates proposing amendments to the Illinois Credit Union Act, including making reference to associate directors in the Act, along with proposing a moderate increase to the 3% limit on CUSO loan and investment authority. We will also re-file legislation to amend the Revised Uniform Unclaimed Property Act to address concerns raised by credit unions as holders of unclaimed property. Additionally, ICUL will advocate for parity in the reporting of data breaches to the Attorney General. Under legislation passed last spring, owners of data, such as financial institutions, are required to report breaches under certain circumstances. Users of data, such as retail merchants, are exempt from the new reporting requirement. Finally, ICUL is contemplating a statewide financial empowerment initiative to bring positive awareness to the credit union industry and advance the financial wellness of consumers throughout the state.

We are still in the initial phases of developing the legislative agenda, and credit unions are encouraged to submit potential topics for consideration. If you have a suggestion for a legislative initiative in 2020, please contact: ([Keith Sias](#)) or ([Ashley Sharp](#)). We will be considering a number of proposals to amend the Illinois Credit Union Act and other areas of state law that would improve the operating environment for credit unions doing business in the state.

Fall Veto Session Dates

Both chambers of the General Assembly will return to Springfield on October 28-30 and November 12-14 for the fall veto session.

ICUL will be engaged in an effort to repeal the \$10,000 cap on vehicle trade in sales tax credits. Currently, the sales tax credit that a consumer receives at the time of trade in is a dollar for dollar credit equivalent to the trade in value. As of January 1, the sales tax credit will be capped at \$10,000, regardless of the value of the trade in. We believe this change will negatively impact vehicle sales and, as a result, there may be a decline in automobile lending. ICUL will support the efforts of the Illinois Automobile Dealers Association to repeal the \$10,000 cap.



CUPAC

Chapter Competition & Disbursement Forms-4 more needed

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](#) indicates via an "x" in the Disbursement Form column which chapters have returned the form. 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).

CUPAC Seeking Credit Union Contributions

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 176 state-chartered credit unions in Illinois. As of September 30, [eighty-five \(85\) have donated \\$187,476](#) to CUPAC's Corporate Campaign. The other 52% have been asked to contribute their fair share. We truly appreciate all donations and hope more credit unions will recognize the importance. [Click for donor levels and additional information.](#)

Contact [Pat Huffman](#) for additional information on the corporate program or other ways you can contribute to CUPAC.

POLITICAL ADVOCACY

2020 CUNA GAC – Feb 23-27, 2020 – Register and Book Hotel Now

Registration and hotel reservations are now being accepted for the 2020 CUNA Governmental Affairs Conference (GAC) and ICUL related events. [Agenda and registration form available on ICUL website.](#)

Conference Registration Deadline: 1/15/2020

Conference Cancellation Deadline: 1/15/2020 (refund, less CUNA's 25% Administration fee.
No refund after 1/15)

