

LEGISLATIVE REPORT



November 2019

Hot Topics

Federal Issues

- o NDAA (Defense Spending) Bill
- o SAFE Banking Act (Cannabis Banking Legislation)
- o H.R. 2513: BSA bill passes US House

State Issues

- o Fall Veto Session
- o Proposed Rulemaking
- o Cannabis Summit Hosted by State Treasurer's Office on December 6, 2019
- o 2020 Legislative Agenda

CUPAC & Political Advocacy

- o Chapter Disbursement Forms For CUPAC Requested
- o Credit Union Donations To CUPAC Requested
- o 2020 CUNA GAC February 23-27: Registration And Hotel Reservations Now Available
- o Young Professionals: Crash the GAC – Nov. 30 application deadline!
- o Register to vote by February 18, 2020 to vote in the March Primary.

Federal Update



Congress will be in session up to the Thanksgiving break. As previously reported, ICUL continues to monitor several issues of interest to the credit union industry. Here's a quick update on some of the key issues:

National Defense Authorization Act (NDAA)

Credit unions have been engaged with the NDAA issue as the big banks are attempting to add language that would allow for profit businesses to operate on military bases which could jeopardize the existing arrangements applicable to credit unions currently serving members on military bases. The House and Senate have different versions of NDAA and we will continue to advocate for the bankers language to be excluded from the final version of NDAA.

Cannabis Banking (H.R. 1595-SAFE Act)

As previously reported, H.R. 1595 passed the US House in September and action is pending in the US Senate. It is unclear at this time if H.R. 1595 will be acted upon as a stand-alone bill or perhaps added to another bill. In any case, there are compelling reasons that some form of H.R. 1595 needs to become law. As cannabis becomes legalized in various states, more and more new businesses will need legitimate banking options that are not currently available due to existing federal laws. Therefore, it is important to create a federal law (such as H.R. 1595) that provides a “safe harbor” for providing banking options throughout the country. Please see the state portion of this report for details regarding a cannabis banking summit offered by the State Treasurer that is scheduled for December 6, 2019 in Peoria.

H.R. 2513: BSA bill passes US House

The House recently passed H.R. 2513, the Corporate Transparency Act of 2019 by a vote of 249-173. This legislation addresses the redundancies, unnecessary burdens, and opportunities for efficiencies within the Bank Secrecy Act/Anti-Money Laundering (BSA/AML) statutory framework. Also included in the bill, through an amendment by Chairwoman Waters (D-CA), was H.R. 2514 - the COUNTER Act of 2019.

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

State



Update

Fall Veto Session

The Illinois General Assembly was in Springfield for the first week of the fall veto session occurring October 28-30. ICUL staff monitored legislative activity, which was primarily focused on legislation to: cap the out of pocket costs for insulin; phase out ethylene oxide, allow college athletes to profit from endorsement deals, and a ban on indoor vaping.

ICUL is supportive of a proposal to repeal the \$10,000 cap on sales tax credits at the time of a vehicle purchase, which is set to go into effect January 1, 2020. The Illinois Automobile Dealers are leading a coalition to repeal this new provision, which will increase the up-front cost of vehicle sales transactions occurring after January 1. This could impact automobile lending in state, if sales trends decline as a result of the trade in sales tax cap. Today, consumers receive a dollar for dollar sales tax credit toward the purchase of a new vehicle. When that sales tax credit is capped at \$10,000, this could greatly increase the amount of sales tax paid during the transaction. No action was taken on this topic during the first veto session week.

Legislators will return to Springfield November 12-14 for the final week of fall veto session.

Proposed Rulemaking

ICUL staff is currently in the process of considering rulemaking for the implementation of a statewide electronic lien and title system. Our interest is to ensure that a comprehensive program is developed that will streamline the process of issuing titles and recording liens. Additionally, this should reduce the risk of fraud in these transactions. The transition to an electronic system, scheduled to go into effect no later than July 1, 2021, will benefit credit unions and all parties to vehicle sales transactions.

Additionally, we are working with IDFPR to develop rules pursuant to the enactment of S.B. 1813 that will establish reasonable limits on director compensation.

Cannabis Summit Hosted by State Treasurer's Office

Save the Date!

Illinois State Treasurer Michael Frerichs' Office will be hosting a Cannabis Summit to discuss issues related to cannabis legalization in Illinois. The event will be held in Peoria, Illinois on December 6, 2019 from 1-3 p.m. Further details will be forthcoming.

2020 Legislative Agenda

ICUL staff continues to develop our legislative agenda for 2020. Staff is in the process of drafting potential legislation for review by the Legislative Committee at their December meeting, and we are still encouraging credit unions to submit potential initiatives for consideration by the Committee. After final proposals are approved by the Committee, staff will work to get the legislation filed at the start of the new General Assembly session.



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).

2019 Credit Union Contributions Requested – there is still time to donate!

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 October 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.

2020 ICUL Dues Invoice Includes Option For CUPAC Corporate Contribution

State-chartered credit unions 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, 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

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)

Hotel Reservation Deadline: 12/13/19 (or until sold out. Rooms limited)

Hotel Cancellation Deadline: 12/13/19 (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 1/15/2020

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.](#)

The Congressional meetings will be arranged for Wednesday afternoon, February 26. If you plan to participate in the Congressional Office meetings, you are encouraged to plan to stay over Wednesday night (or depart LATE Wednesday evening) in order to allow enough time for participation. The Wednesday afternoon Congressional visits could be scheduled to begin as late as 5:30 pm (congressional schedules are beyond our control).

Young Professionals: Apply to "Crash" the GAC – Nov. 30 application deadline

Crash the GAC is an incredible opportunity for credit union professionals to attend the CUNA Governmental Affairs Conference, advocate for credit unions to their Congressional representatives, and receive additional professional development and networking along the way.

The Cooperative Trust, CUNA, and the ICUL are joining forces to get at least one Crasher per state. [Apply now!](#)

Crashers receive a free conference registration from CUNA. The Crasher(s) from Illinois* will receive a complimentary Illinois Delegation Registration, which provides access to Illinois-specific events and activities. Crashers from Illinois are eligible to apply for scholarships from the ICU Foundation for up to \$2,000 to cover travel and hotel costs. *Travel and hotel expenses in excess of the awarded amount, as well as food costs that are not included in the Crasher Program, are the responsibility of the Crasher/their credit union.*

* Please note the Illinois Delegation Registration and ICU Foundation scholarships are only available to a Crasher from an ICUL-affiliated CU.

