

LEGISLATIVE REPORT

September 2021

Hot Topics

Federal Issues

- o Action Alert Requesting CUs Tell Congress to Oppose New IRS Reporting Provisions
- o Virtual Hike-the-Hill scheduled - Sept. 21-23, 2021

State Issues

- o 2021 Spring Session Recap
- o New Legislative Proposals for 2022
- o Adjournment/Fall Veto Session

CUPAC & Political Advocacy

- o CUPAC Auction/Wine Pull is Returning LIVE! Donations Requested
- o 2021 CUPAC Corporate Donations Requested
- o 2021 CUPAC Honor Roll Members
- o Project Zip Code (PZC)

Federal Update

ICUL issued an Action Alert requesting that Credit Unions Tell Congress to Oppose New IRS Reporting Provisions

As part of the FY 22 Federal Budget legislation, the Biden Administration has proposed a new IRS reporting provision that requires financial institutions to report additional detailed account holder information. America's credit unions **OPPOSE** this additional compliance burden on credit unions.

The markup in the House Ways and Means Committee – and ultimately full House consideration of the reconciliation package – started the week of September 6th.

If you have not already done so, please contact your [member of Congress](#) to ask that they reject the inclusion of new IRS reporting provisions in the infrastructure reconciliation bill. The [action alert](#) on CUNA's website will send your message to your member of congress.

It is important that you (and your credit union staff/board members) contact your member of Congress to make sure that our concerns are heard about the negative impact of this proposal. We would like to see lots of contacts generated to Congress on this issue. If every credit union made 5 contacts, we would generate over 1,000 contacts to Congress!! As of September 10, approximately 600 contacts had been made. Please make every effort to help us reach at least 1000 contacts on this important issue!

The Illinois Credit Union League and CUNA strongly urges lawmakers to oppose the adoption of these costly and burdensome new requirements on financial institutions.

Thank you in advance for your prompt response to this issue. Please contact ICUL's SVP-Governmental Affairs, Keith Sias for more information.

Hike-the-Hill Virtual - September 21-23 – register by September 10

The 2021 Hike the Hill has been reformatted to a virtual event. Tentative agenda (all times are central) is below:

September 21

10:00-11:15 am	Political/Legislative Update
1:00-4:30 pm	Individual virtual visits with 5 members of Congress

September 22

8:00-9:45 am	Regulatory Briefing and NCUA Update
9:45-10:30 am	Senate Staff Updates
10:30-11:30 am	House Financial Institutions Committee (IL Members) Panel
1:00-4:30 pm	Individual virtual visits with 5 members of Congress

September 23

8:00-11:30 am	Individual virtual visits with 5 members of Congress
---------------	--

There is no charge to participate in Illinois' virtual Hike the Hill. [Click here](#) to **register by September 10**.

Registered participants will receive a survey with meeting times to select which virtual Member of Congress meetings they will attend. No need to be experienced at visiting with legislators. You can sit and observe! Congressional meetings connect us with legislators who will be instrumental in creating federal laws that could impact credit unions.



2021 Spring Session Recap

- ***Amendments to the Illinois Credit Union Act (HB 3698/Public Act 102-0496) passed both chambers of the General Assembly unanimously and was signed by the Governor, becoming effective on August 20, 2021.*** Provisions from the bill include: authorization for virtual meetings; clarification of audit timelines; new language pertaining to duties and responsibilities of associate directors; a repeal

of the director compensation rulemaking requirement; an increase from 3% to 6% in CUSO loan and investment limits; expansion of service to the economically disadvantaged through authorization to lend to, and invest in MDI's and CDFI's; language clarifying the use of brand references in a merger context; and a requirement that advisory board members of network credit unions sign and adhere to confidentiality agreements. An [L&T Bulletin](#) has been published providing further detail on the changes. ICUL's priority legislation included:

- ***Amendments to the Revised Uniform Unclaimed Property Act (SB 338/Public Act 102-0288) passed both chambers of the General Assembly and was signed by the Governor, becoming effective on August 6, 2021.*** The legislation will bring relief to credit unions as holders of unclaimed property. Specifically, SB 338 clarifies (i) when the presumptive period of abandonment begins for automatically renewable time deposits - those forms of property may become abandoned after one initial term and one renewal term, and (ii) the reporting and delivery of automatically renewable time deposits is extended until such time when no penalty or forfeiture would result from paying the deposit to the administrator; clarifies that activity on one account constitutes activity on all accounts that the owner has at a financial organization; reinstates a visitation standard to ensure that examinations are conducted in a consistent manner when agents of the administrator are authorized to examine banks and credit unions; and clarifies that records obtained during examinations authorized by the Act, by an administrator or an administrator's agent, are subject to confidentiality standards as outlined in the Act. An [L&T Bulletin](#) has been published on this topic providing more detail about these changes.
- ***Amendment to the Illinois Vehicle Code (HB 2432/ Public Act 102-0431) passed both chambers of the General Assembly unanimously and was signed by the Governor, becoming effective August 20, 2021.*** The bill extends the statutory deadline for implementation of a statewide Electronic Lien and Title system to July 1, 2022 to account for delays in the Secretary of State's implementation process.

New Legislative Proposals for 2022

ICUL staff is developing a list of new proposals for 2022 to go to the Legislative Committee for consideration. ICUL has issued a notification to credit unions with the request to submit topics of interest for consideration for the 2022 legislative agenda. To date, staff has come up with suggested language regarding expanding service to the economically disadvantaged and amending the Act to reflect a commitment to serving the underserved and incorporating diversity, equity and inclusion objectives in to the Act. We also plan to pursue clean-up language as the result of the passage of the Uniform Electronic Transactions Act, to clarify existing language that referenced the (now repealed) Electronic Commerce Security Act, and are also looking to provide relief to small credit unions with regard to the transition to CECL. As the Legislative Committee votes to approve our agenda for the spring of 2022, we will communicate our priority legislative measures in future LFR reports.

Adjournment/Fall Veto Session

The General Assembly is now adjourned until October 19 when legislators return to Springfield for the Fall Veto session. The Veto session is scheduled for October 19-21 and October 26-28. [Click here](#) to view the Top 30 Bill Status Report and check on the status of bills of interest to credit unions.

CUPAC

CUPAC’s Wine Pull & Live Auction Fundraiser is Returning as part of ICUL Annual Convention

- Thursday, October 28, 2021, 3:30-6:30 pm
- ICUL Convention Exhibit Hall
- *Donations of wine, sponsorships and auction items now being accepted.*
[2021-CUPAC-Wine-Pull_Auction-Sponsorship-Flyer.pdf \(icul.com\)](#)

Corporate Donation Campaign

State-chartered credit unions (federal credit unions are prohibited by law) are asked to contribute to CUPAC’s annual corporate fundraising campaign. In these uncertain times, CUPAC continues to provide support to help elect and re-elect legislators supportive to our cause.

There are 166 state-chartered credit unions in Illinois. As of August 31, seventy-five (75) [credit unions have contributed](#). This equates to 45% of credit unions contributing their fair share, benefiting the other 55%. We appreciate all donations and hope more credit unions will recognize the importance. Please do your fair share. [Click for donation form and additional information.](#)

Chapter Competition & Disbursement Forms-14 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).**

Honor Roll - 2021 Credit Union and Chapters to be Recognized

Honor Roll credit unions & chapters will be recognized during the Celebration Luncheon during the League’s annual convention scheduled to be held in October.

Enrollment forms soliciting membership for the 2021 Honor Roll program were 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.

The number of Honor Roll chapters and credit unions are still trailing behind the 2019 level:

	2019	2021 (as of 8/31/21)
Honor Roll Credit Unions	21	19
Honor Roll Chapters	11	8

Congratulations and thanks are extended to the credit unions and chapters listed below that have earned Honor Roll status so far in 2021:

2021 Honor Roll Credit Unions (as of 8/31/2021)

1st MidAmerica Credit Union

2 Rivers Area Credit Union

CEFCU

CommonWealth Credit Union

Community Trust Credit Union

Consumers Cooperative Credit Union

Cooperative Choice Network Credit Union

Corporate America Family Credit Union

Decatur Earthmover Credit Union

DuPage Credit Union

Financial Plus Credit Union

Great Lakes Credit Union

LinXus Credit Union

Midwest Members Credit Union

NuMark Credit Union

Riverside Community Credit Union

Scott Credit Union

Staley Credit Union

University of Illinois Community Credit Union

Honor Roll Chapters (as of 8/31/2021)

Central Illinois

George G. Burnett

Egyptian

Greater Chicagoland

Kankakee

Quincy

Southern

Tri-County

POLITICAL ADVOCACY

Project Zip Code (PZC)

- Seventy-six (76) of Illinois' 207 credit unions are "active" (ran/updated in 2020 or 2021)
 - 37 in 2021; 39 in 2020
- Credit unions are reminded to update or run [PZC](#).

Better for Illinois Website

The [Better for Illinois website](#) is being updated. Over 20 videos were recently filmed with members of the General Assembly; credit union members; SEG groups; the faith-based credit union alliance and PPP loan recipients. Please be sure to frequently check with Better For Illinois website for updated videos and other information. Illinois lawmakers are directed to the website as part of our continued education. As you communicate with legislators, please also refer them to [Better for Illinois](#).

