



### InfoSight Highlight

#### [Elder Financial Exploitation](#)

Scams and fraud aimed at the elderly are increasing as the methods of tricking the elderly are getting more sophisticated. In many cases, the credit union staff will recognize transactions or words used in conversation with an elderly member that may be an indication that something is wrong. Review the [Elder Financial Exploitation topic](#) in the [Security channel](#) to ensure your credit union stays on top of this important issue.

### Compliance News

#### [CFPB: Updated HMDA Data and Research Page](#)

The Bureau is pleased to announce the release of its redesigned HMDA data and research page, which highlights research using HMDA data, provides data for download, and links to compliance materials and other HMDA resources. The site also links directly to the Modified LAR files, allowing quick access to data by institution. You can access the HMDA data and research page at [www.consumerfinance.gov/hmda](http://www.consumerfinance.gov/hmda).

#### [NCUA: CDRLF Grant Round Opens June 2](#)

Low-income credit unions interested in Community Development Revolving Loan Fund grants can submit applications between June 2 and July 20. These grants support efforts for credit unions to better serve their members.

#### [NCUA Board Seeks Comments on Compensation Related to Lending](#)

The NCUA Board held its fourth open meeting of 2019 at the agency's headquarters and unanimously approved one item: An advance notice of proposed rulemaking requesting public comment on modernizing the NCUA's regulation on compensation related to loans and lines of credit to members.

#### [Fed Reserve: Interagency Update on Private Flood Insurance Rule](#)

Staff of the Federal Reserve, Farm Credit Administration, FDIC, NCUA, and the OCC will conduct a one-hour Outlook Live webinar at 2 p.m. EDT (8 a.m. HST) on Tuesday, May 14, to discuss the private flood insurance rule [published on February 20, 2019](#). Topics will include:

- Mandatory acceptance of private flood insurance;
- Mandatory acceptance Compliance Aid;
- Discretionary acceptance of private flood insurance;
- Flood Coverage provided by Mutual Aid Societies; and
- Preparations to comply with the Rule

[Advance registration](#) is recommended.

#### [CUNA CompBlog: First-Quarter 2019 Update to the Credit Card MLA Fee Comparison Spreadsheet](#)

The recently-updated First-quarter 2019 fee comparison spreadsheet has been downloaded in CUNA's Compliance Community under the [Compliance Resources Tab](#) and is also available under the [Resources tab in the MLA topic in CUNA's e-Guide](#). In each location you will also find the fourth-quarter spreadsheet from December 2018, the third-quarter spreadsheet from September 2018, the second-quarter spreadsheet from June 2018, The first quarter

**InfoSight  
Compliance eNewsletter  
April 24, 2019  
Vol. 12, Issue 17**

**Created in partnership with  
the Credit Union National  
Association**

### Compliance Calendar

#### **April 28**

[NCUA Call Report for March 31, 2019  
Cycle Due](#)

#### **April 30**

[\\*Form UC-B6, "Quarterly Wage  
Contribution & Employment & Training  
Assessment Report"](#)  
[\\*Form 941, Employer's Quarterly  
Federal Tax Return](#)

#### **May 10**

[Form 941, Employer's Quarterly  
Federal Tax Return](#)

#### **June 21**

[ACH-Return for Questionable  
Transaction](#)

#### **July 28**

[NCUA Call Report for June 30, 2019  
Cycle Due](#)

#### **July 31**

[\\*Form 941, Employer's Quarterly  
Federal Tax Return](#)  
[\\*IRS Form 5500 or 5500-EZ](#)  
[\\*Form UC-B6, "Quarterly Wage  
Contribution & Employment & Training  
Assessment Report"](#)

#### **August 12**

[Form 941, Employer's Quarterly  
Federal Tax Return](#)

#### **September 20**

[ACH Providing Faster Funds  
Availability](#)

#### **September 30**

[\\*Claim for Exemption: Real Property  
Assessment City & County of](#)

spreadsheet from March 2018 and the initial spreadsheet from September 2017, in case you need to refer to historical data.

### **FBI Releases IC3 2018 Internet Crime Report**

Statistics gathered by the FBI's Internet Crime Complaint Center (IC3) for 2018 show Internet-enabled theft, fraud, and exploitation remain pervasive and were responsible for a staggering \$2.7 billion in financial losses last year. [Click here](#) for the report.

### **FTC: Scammers and Your Notre Dame Donations**

Following last week's devastating fire that destroyed much of the famous and historically important Cathedral of Notre Dame in Paris, fundraising efforts have begun. Many generous people may decide to donate money toward rebuilding efforts and scammers know that. They're ready to take donations too. For tips on how to donate wisely and avoid scams go to [FTC.gov/Charity](http://FTC.gov/Charity).

### **FinCEN Penalizes Virtual Currency Exchanger for Violations of BSA Laws**

The Financial Crimes Enforcement Network (FinCEN) [assessed a civil money penalty](#) against Eric Powers for willfully violating the Bank Secrecy Act's (BSA) registration, program, and reporting requirements. Mr. Powers failed to register as a money services business (MSB), had no written policies or procedures for ensuring compliance with the BSA, and failed to report suspicious transactions and currency transactions. Mr. Powers operated as a peer-to-peer exchangers of virtual currency. As "money transmitters", peer-to-peer exchangers are required to comply with the BSA obligations that apply to MSBs.

### **US-CERT:**

- [Google Releases Security Update for Chrome](#): Google released Chrome version 74.0.3729.108 for Windows, Mac, and Linux. This version addresses multiple vulnerabilities that an attacker could exploit to take control of an affected system. The Cybersecurity and Infrastructure Security Agency (CISA) encourages users and administrators to review the [Chrome Release](#) and apply the necessary update.
- [Dutch NCSC Releases Updated TLS Guidelines](#): The Dutch National Cyber Security Centre (NCSC) published an update to their Transport Layer Security (TLS) protocol guidelines, which aim to improve TLS configuration security. The CISA encourages users and administrators to review the Dutch NCSC [IT Security Guidelines for Transport Layer Security](#).
- [Drupal Releases Security Updates](#): Drupal released security updates to address multiple vulnerabilities in Drupal Core. The CISA encourages users and administrators to review Drupal's security advisories [SA-CORE-2019-005](#) and [SA-CORE-2019-006](#) and apply the necessary updates.

## Questions & Answers

**Question:** When sending out member correspondence and statements we have "return service requested" on envelopes so we get notified by the post office of any address changes. When we receive these items back and a change of address label is attached with a new address we currently make the change and send an email to the member indicating a change has been made. An employee went to a conference and heard that this practice should not be used when it comes to issuing credit and debit cards. Why is this?

**Answer:** The NCUA's guidance states the following:

- III. Duties of Card Issuers Regarding Changes of Address (Card Issuers' Rules) 8 A.
- IV. Duties of Users Regarding Address Discrepancies (Address Discrepancy Rules)

### **Address validation requirements**

Can a card issuer rely upon the U.S. Postal Service's change of address procedures to validate a change of address for purposes of the Card Issuers' Rules?

### **Honolulu**

[\\*Claim for Exemption: Real Property Assessment - County of Kauai](#)

### **October 27**

[NCUA Call Report for September 30, 2019 Cycle Due](#)

### **October 31**

[\\*Form UC-B6, "Quarterly Wage Contribution & Employment & Training Assessment Report"](#)

[\\*Form 941, Employer's Quarterly Federal Tax Return](#)

### **November 30**

[New Employee Forms W-4 & HW-4](#)

### **December 31**

[\\*Claim for Exemption: Real Property Assessment - County of Hawaii](#)

[\\*Claim for Exemption: Real Property Assessment - County of Maui](#)

## Compliance Training

### **April 29**

[Hacking the Weakest Link: The Role of Staff in Maintaining IT Security \(Webinar\)](#)

### **April 30**

[\\*ACH Basics for Frontline Staff Workshop – Oahu](#)

[\\*Call Report Series: Introduction to Call Report Loan Classifications \(Webinar\)](#)

### **May 2**

[Troubled Debt Restructuring: Identifying & Accounting for Impaired Loans \(Webinar\)](#)

### **May 7**

[Developing & Delivering an Effective Loan Presentation \(Webinar\)](#)

### **May 9**

[BSA Series: Job-Specific BSA Training for Lenders \(Webinar\)](#)

### **May 13**

[Accurately Completing the SAR Line-by-Line \(Webinar\)](#)

### **May 14**

[Fair Lending Examinations: Increased Scrutiny, New Methodologies & False Positives \(Webinar\)](#)

### **May 15**

[Teller Training Series: Managing Dual Control & Cash Limits \(Webinar\)](#)

The fact that a card issuer received a change of address notice from the U.S. Postal Service is not sufficient to satisfy the validation requirements of the Card Issuers' Rules. A card issuer that receives a notice of a change of address from the postal system regarding a cardholder's address, and, within at least 30 days, a request for an additional or replacement card, may not issue the card unless it has validated the cardholder's address using one of the procedures set forth in the Card Issuers' Rules.

Additionally, credit and debit card issuers must develop policies and procedures to verify a request for a change of address that is followed closely (within 30 days or a longer period established in a creditor's or a financial institution's procedures) by a request for an additional or replacement card. A card issuer cannot issue the additional or replacement card until it has verified the validity of the change of address request in accordance with the financial institution's policies and procedures. If a change of address request has been verified before a request for an additional or replacement card is received, it is not necessary to verify the address a second time before issuing the card.

Source: [NCUA 09-RA-06](#)

### Advocacy Highlight

#### [NCUA ANPR on Loan-Related Compensation](#)

The National Credit Union Administration Board has published [[84 FR 16796](#), 4/23/2019] an advance notice of proposed rulemaking to solicit comments on ways to improve the agency's regulations limiting a credit union official's and employee's compensation in connection with loans to members and lines of credit to members. The Board requests feedback on how it can provide flexibility in senior executive compensation plans that incorporate lending as part of a broad and balanced set of organizational goals and performance measures. Comments are due by June 24.

#### [The Nussle Report](#)

The Nussle Report delivers CUNA's insights on key events and policy developments affecting credit unions. This report also provides a valuable window into CUNA's actions on behalf of member credit unions and reinforces the value of CUNA membership. Topics for this week include:

- Resources available for tax status, CECL
- [Oral arguments in field of membership appeal](#)
- [First NCUA board meeting with new leadership](#)
- [Donovan warns that bank strategies are changing](#)
- [Kraninger makes first public policy speech](#)
- [CUNA participates in White House Opportunity Zone Conference](#)
- [Are you prepared to implement FASB's new CECL standard?](#)
- [Crasher application open for ACUC](#)

#### [CUNA Advocacy Update](#)

The CUNA Advocacy Update keeps you on top of the most important changes in Washington for credit union's and what CUNA is doing to monitor, analyze, and influence government agencies and federal law. Issues this week included:

- [Credit unions represented at CFPB director's first policy speech](#)
- [DC Circuit Court of Appeals considers Field of Membership challenge](#)
- [CFPB should delegate supervision to NCUA for credit unions over \\$10 billion in assets](#)
- [CUNA attends Opportunity Zone Conference at the White House](#)
- [April Economic Update: U.S. economic growth is strong, but expect a slowdown in 2019](#)
- [NCUA issues ANPR on compensation in connection with loans to members](#)

**May 16**  
[Hot Issues in Cyber Compliance \(Webinar\)](#)

**May 20**  
[ACH Specialist Series: Top 10 Ways to Mitigate ACH Payment Risk \(Webinar\)](#)

**May 21**  
[\\*Solid Business Writing Workshop – Oahu](#)  
[\\*Evaluating Collateral & Personal Guarantees for Loan Repayment \(Webinar\)](#)

**May 22**  
[Consumer Collection Series: Repossession Practices, Compliance & Limitations \(Webinar\)](#)

**May 23**  
[Supervisory Committee: Understanding Expectations & Avoiding Landmines \(Webinar\)](#)

**May 29**  
[ACH Specialist Series: ACH Stop Payments vs. Unauthorized Extended Returns: Know the Difference \(Webinar\)](#)

**May 30**  
[\\*ACH Basics for Frontline Staff Workshop - Oahu](#)  
[\\*Military Lending Act & SCRA: Compliance & Lessons Learned \(Webinar\)](#)

### Compliance Video

#### [Compliance Outlook S. 2155, Part 1](#)

When Senate Bill 2155, the Economic Growth, Regulatory Relief, and Consumer Protection Act, passed in 2018 there was a lot to understand! Glory LeDu, League InfoSight CEO, provides a short breakdown for you. [Click here](#) for the slide presentation. Just a reminder that Compliance videos since 2014 can be found on YouTube at the [Compliance Connection channel](#), where they are generally updated quarterly.

- [CFPB Symposia series to address UDAAP](#)
- [Reminder: CUAC applications still open!](#)

### **Pending Regulatory Comment Calls**

The League encourages credit unions to use [PowerComment](#) to file comment letters with regulators on the items below. For more information regarding these proposals, please follow the links below:

- [Annual supervisory committee audits and verifications due to NCUA by April 26.](#)
- [Request for information on the consumer credit card market due to CFPB by May 1.](#)
- [Payday, vehicle title, and certain high-cost installment loans due to the CFPB by May 15.](#)
- [Residential property assessed clean energy financing due to the CFPB by May 15.](#)
- [Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales, and Computer Employees Due to DOL by May 21.](#)

If you have any questions or comments concerning this newsletter, please contact Dorie Fitchett, Regulatory Officer at [dorie.fitchett@hcul.org](mailto:dorie.fitchett@hcul.org), or directly @ 203.6412, or for neighbor islands toll-free @ 1.888.331.5646 ext. 412.