

InfoSight Highlight

The All New InfoSight Coming December 9!

All good things must come to an end... and be replaced by something better! The all-new InfoSight is coming on **December 9!** A more streamlined design, easier to navigate site that is packed with great compliance information, an interactive dashboard, and more state-specific content!

What can you expect in the new InfoSight?

Interactive Dashboard

Customize "Topics of Interest" and "Recently Updated" to quickly access and review updates about those compliance areas and only those areas that are important to you. Pick up where you left off with the "Recently Visited Areas" listing!

Consolidated Compliance Information

We've always had great compliance information, but the new site will compile all the information in one place. For each compliance topic, learn what the compliance issue is, how it affects credit unions, and what your credit unions need to do about it. Easily view (and print) all information.

FAQs and Checklists

More than 70 checklists are available for various compliance topics credit unions can use to see if a regulation affects them. Frequently Asked Questions (FAQs) provide useful answers to common questions on various topics. The new site has consolidated FAQs into a searchable database to make finding answers easier than ever!

Compliance Calendar

Stay on top of upcoming effective dates and compliance due dates with our Compliance Calendar! The calendar is now available right from the dashboard so you have a front-row view of what's coming up.

State Compliance Content

Our new site will have more state-specific content than ever! And we are developing the site to help state content stand out so it's easier to find and help identify how state laws and regulations may impact your credit union.

It's Free!

Don't forget that InfoSight is provided as a FREE resource for Hawaii Credit Union League member credit unions! If you haven't been taking advantage of InfoSight, now is the time to get set up so you are ready when the new site launches! If you need login information, contact Dorie Fitchett at dorie.fitchett@hcul.org.

Compliance News

Federal Regulators Issue Joint Statement on Use of Alternative Data in Credit Underwriting

Five Federal financial regulatory agencies today issued a joint statement on the use of alternative data in underwriting by banks, credit unions, and non-bank financial firms.

The [statement](#) from the Federal Reserve Board, the Consumer Financial Protection Bureau, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the National Credit Union Administration notes the benefits that using alternative data may provide to consumers, such as expanding access to credit and enabling consumers to obtain additional products and more favorable pricing and terms. The statement explains that a well-

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Compliance Calendar

November 30

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

December 2

[NCUA Payday Alternative Loan 2 \(PAL II\)](#)

December 31

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

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

*[NMLS annual review period ends](#)

January 1, 2020

*[HMDA Thresholds/Regulation C \(CFPB\)](#)

*[Risk-Based Capital \(NCUA\)](#)

January 6, 2020

[NCUA Supervisory Committee Audits and Verifications](#)

January 26, 2020

[NCUA 5300 Call Report Due for December 31, 2019](#)

January 31, 2020

*[Form 940, Employer's Annual Federal Unemployment \(FUTA\) Tax Return](#)

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

*[Form 945, Annual Return of Withheld Federal Income Tax](#)

*[Form HW-2, Statement of HI Income Tax Withheld & Wages Paid](#)

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

*[IRS Forms 1099 & W-2 Due to Employees](#)

*[IRS Forms Due to Recipients](#)

February 1, 2020

designed compliance management program provides for a thorough analysis of relevant consumer protection laws and regulations to ensure firms understand the opportunities, risks, and compliance requirements before using alternative data.

Agencies Clarify Requirements for Providing Financial Services to Hemp-Related Businesses

Four federal agencies (does not include NCUA) in conjunction with the state bank regulators issued a statement clarifying the legal status of hemp growth and production and the relevant requirements under the Bank Secrecy Act (BSA) for banks providing services to hemp-related businesses.

The statement emphasizes that banks are no longer required to file suspicious activity reports (SAR) for customers solely because they are engaged in the growth or cultivation of hemp in accordance with applicable laws and regulations. For hemp-related customers, banks are expected to follow standard SAR procedures, and file a SAR if indicia of suspicious activity warrants.

Refer to [NCUA letter 19-RA-02](#) for serving hemp businesses.

IC3: What Is a Money Mule?

A money mule is any individual who transfers funds, in any manner, on behalf of, or at the direction of another. Money mules are recruited by criminals to move funds via a variety of methods including:

- Physical currency (cash)
- Bank transfers
- Money services businesses
- Pre-paid cards
- Cryptocurrency

Individuals acting as a money mule may have received unsolicited emails or other communications containing a job offer promising easy money, have been requested to open a bank account in their name or the name of a business they have created, and/or have been asked to receive funds and then forward all or a portion of the funds on to another individual.

CMG RISK Alert: MyPayrollHR Fraud Losses Show Need for ACH Risk Management Controls

\$26 million in paychecks went missing and left thousands of companies scrambling to pay their employees. According to several news outlets, the president of MyPayrollHR allegedly redirected the payroll funds leaving the payment processor, Cachet Financial Services, to initially reverse the funded transactions taking back money from thousands of workers – including credit union employees.

CMG RISK Alert: Counterfeit Checks

Counterfeit cashier's checks and/or corporate checks that closely resemble credit union authentic checks have been presented for payment at financial institutions in connection with scams. Slight alterations in check color, check stock, logo, or location of key credit union check branding elements have been reported. In many cases, Routing & Transit Number (RTN) and MICR information is accurate.

US-CERT:

- [Mozilla Releases Security Updates for Firefox and Firefox ESR](#): Mozilla released security updates to address vulnerabilities in Firefox and Firefox ESR. An attacker could exploit some of these vulnerabilities to take control of an affected system. The Cybersecurity and Infrastructure Security Agency (CISA) encourages users and administrators to review the Mozilla Security Advisories for [Firefox 71](#) and [Firefox ESR 68.3](#).

Advocacy Highlight

[Updated URLA required for Fannie and Freddie](#)

Compliance Training

December 3

[ACH Error Resolution: Returns, Authorizations, WSUDs, Stop Payments & More \(Webinar\)](#)

December 4

[Safe Deposit Issues: Delinquency, Death & Abandonment \(Webinar\)](#)

December 5

[IRS Reporting Requirements: 1098s, 1099s, TINs & Backup Withholding \(Webinar\)](#)

December 9

[Consumer Privacy: New Online & Mobile App Issues, GDPR, Reg P & Compliance \(Webinar\)](#)

December 10

[Revisiting Reg CC Policies, Disclosures & Notices for Rule Changes Effective July 1, 2020 \(Webinar\)](#)

December 11

[Business Accounts: Who is Authorized to Open, Close, Transact? \(Webinar\)](#)

December 12

[The Changing Face of BSA Administration: What BSA Officers & Management Must Know \(Webinar\)](#)

December 16

[Marijuana HR Policy & Best Practices: Handling Employee Medical & Recreational Use \(Webinar\)](#)

December 17

[Updated Flood Insurance Exam Procedures, Including Recent Private Flood Insurance Rules \(Webinar\)](#)

December 18

[Securing Collateral: How to Complete & File UCC-1 Financing Statements \(Webinar\)](#)

January 7

[BSA High-Risk Members: Identifying, Enhanced Due Diligence & Monitoring \(Webinar\)](#)

January 8

[Lending to Hemp Businesses, Including Recent USDA Interim Hemp Production Guidance \(Webinar\)](#)

CFPB Issues Proposed Amendments to the Remittance Transfer Rule

The Bureau issued a [notice of proposed rulemaking](#) regarding the Remittance Transfer Rule. The notice:

1. Proposes to increase the Rule's normal course of business safe harbor threshold from 100 remittance transfers to 500 remittance transfers annually;
2. Proposes to create two new exceptions that would permit insured institutions to use estimates in required disclosures if certain conditions are met; and
3. Requests comment related to a safe harbor countries list.

The Bureau has also posted a summary of the proposed rulemaking, a table of contents, and an unofficial redline of the proposed amendments to the Remittance Transfer Rule. You can access the summary, table of contents, and redline [here](#).

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:

- [This week in Washington](#)
- [CUNA recommends CFPB amend overdraft model form](#)
- [WSJ discusses how credit unions are evolving to meet member needs](#)
- [CUNA presents to NCUA Board on proposed budget](#)
- [Amicus filed in support of Facebook's Petition re: Duguid vs. Facebook](#)
- [USAA Patent Litigation Verdict Webinar](#)
- [NCUA issued CUNA-supported appraisal rule, finalized "Second Chance IRPS"](#)

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:

- [Chartering and Field of Membership due to NCUA by December 9.](#)
- [Interagency Policy Statement on Allowances for Credit Losses due to NCUA by December 16.](#)
- [Interagency Guidance on Credit Risk Review Systems due to NCUA by December 16.](#)
- [UMBS Pooling Practices due to FHFA by December 19.](#)
- [RFI re: Integrated Mortgage Disclosures under RESPA \(Reg X\) & TILA \(Reg Z\) Rule Assessment due to CFPB by January 21.](#)

January 9

[Top 10 Issues for the 2019 HMDA Report: Due March 1, 2020 \(Webinar\)](#)

Compliance Video

Compliance Outlook S. 2155, Part 2

Part Two: S. 2155 Economic Growth, Regulatory Relief, and Consumer Protection Act. This presentation is the second of our two-part update covering the changes resulting from the passage of S.2155 that may impact credit unions. Glory LeDu, League InfoSight CEO, provides a short breakdown for you.

Just a reminder that Compliance videos since 2014 can be found on YouTube at the [Compliance Connection channel](#), where they are generally updated quarterly.

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