

InfoSight Highlight

Small Claims Court

Small Claims Court can be a favorable means of collecting on debts that your members owe the credit union. The procedure is simple and informal. It enables any individual to file suit against another without employing an attorney.

The jurisdiction of the Small Claims Division in Hawaii is set forth in [Chapter 633](#) of the Hawaii Revised Statutes. The Small Claims Division of the District Court is confined to cases for the recovery of money where the amount claimed does not exceed \$5,000 exclusive of interest and costs except in cases where there is a counterclaim.

The person or business that files a claim is called the "plaintiff" (credit union). The person or business whom a claim is filed against is called the "defendant." Once a claim has been filed, all liable debtors listed on the claim must be delivered the "Statement of Claim and Notice". If the claim is against more than one defendant, all parties should be listed on the claim with "and" between the names.

For more information, go to the [Bankruptcy and Collections channel](#) and click on the [Small Claims Court topic](#).

Compliance News

Regulation CC Final Rule Issued

On June 24, the Board of Governors of the Federal Reserve System and the Consumer Financial Protection Bureau jointly issued a [final rule](#) amending Regulation CC, which implements the Expedited Funds Availability Act (EFA Act), to implement a statutory requirement in the EFA Act to adjust the dollar amounts under the EFA Act for inflation. In addition, Regulation CC was amended to incorporate the Economic Growth, Regulatory Relief, and Consumer Protection Act amendments to the EFA Act, which include extending coverage to American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam, and to make certain other technical amendments.

Take a look at your latest [CU PolicyPro newsletter](#) for a general summary (chart) of the changes.

CFPB: Updates to Compliance Guide for Payday Lending Rule's Payment-related Provisions

On June 28, the Bureau updated the [small entity compliance guide](#) that summarizes the payment-related provisions of the Payday, Vehicle Title, and Certain High-Cost Installment Loans Rule (Payday Lending Rule). The guide incorporates the changes that the Delay Final Rule made to the 2017 Payday Lending Rule.

MLA Release Update

The Military Lending Act (MLA) website team is diligently working on updating the application with changes originally scheduled for June 27. The estimated implementation date has now moved to mid-July. DMDC apologizes for any inconveniences and appreciates the cooperation of MLA website users as we seek to implement improved security of the information of Service members.

IRS Tax Tip 2019-86: Taxpayers Be Aware of New Versions of Two Scams

Taxpayers should be on the lookout for a surge of evolving phishing emails and telephone scams. Taxpayers should watch for new versions of two tax-related scams. One involves Social Security numbers related to tax issues. The other threatens taxpayers with a tax bill from a fictional government agency.

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Compliance Calendar

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 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](#)

Both these schemes show classic signs of being scams. The IRS and its [Security Summit](#) partners, the state tax agencies and the tax industry, remind everyone to stay alert to scams that use the IRS or reference taxes. Being alert is especially important in late spring and early summer as tax bills and refunds arrive.

FTC: Who's Pretending to be the Government Now?

You've gotten the calls: from Social Security, or the IRS., or Medicare, or any number of other agencies. Except, as soon as the caller threatens you or demands that you pay them with a gift card or by wiring money, you know, it's a scam. Even if caller ID tells you otherwise, that's not the government calling. The FTC's [latest Data Spotlight](#) shows the surge in reports about government imposters. You know about the Social Security Administration (SSA) imposters who claim that your Social Security number has been linked to "criminal activity" and ask you to provide some information or money. (That's a lie. The real SSA [doesn't work that way](#).) But those scammers are not alone; people are still telling the FTC that they're getting calls from; and losing money to scammers pretending to be the IRS, Medicare, a government grants group, or cops and the FBI.

CMG RISK Alert: ATM Conversion Date Approaches

When Microsoft Windows 7 converted to Windows 10, some credit unions did not convert ATMs because support still existed. The Windows 7 support will cease on January 14, 2020 meaning security updates, application patches, and technical support will cease. ATMs running an unsupported operating system can face significant risks.

OFAC Reminder for Annual Report of Blocked Property

The Office of Foreign Assets Control (OFAC) posted a reminder about the Annual Report of Blocked Property that financial institutions hold as of June 30 each year. The report is due by September 30. Starting with this year, the annual reports must be filed using the new spreadsheet form [TD-F 90-22.50](#), and emailed to ofacreport@treasury.gov. OFAC provides [Guidance on Filing the Annual Report of Blocked Property](#).

OFAC Targets Cuban Supporter of Maduro Regime

The Department of the Treasury designated Cubametales, the Cuban state-run oil import and export company, for its continued importation of oil from Venezuela. Cuba, in exchange for this oil, continues to provide support, including defense, intelligence, and security assistance, to the illegitimate regime of former President Nicolas Maduro. OFAC also delisted PB Tankers S.p.A. and its vessels. PB Tankers ended its charter agreement with Cubametales and took other steps to increase scrutiny of its business operations to prevent future sanctionable activity.

US-CERT:

- [Cisco Releases Security Updates for Multiple Products](#): Cisco released security updates to address vulnerabilities in [multiple Cisco products](#). An attacker could exploit some of these vulnerabilities to take control of an affected system.
- [VMware Releases Security Advisory for Multiple Products](#): VMware released a security advisory to address vulnerabilities affecting multiple products. An attacker could exploit these vulnerabilities to cause a denial-of-service condition. The Cybersecurity and Infrastructure Security Agency (CISA) encourages users and administrators to review the VMware Security Advisory [VMSA-2019-0009](#) and apply mitigations or patches, when available.
- [NCSC Releases Advisory on Ryuk Ransomware](#): The United Kingdom National Cyber Security Centre released an advisory, [Ryuk Ransomware Targeting Organizations Globally](#), on their ongoing investigation into global Ryuk ransomware campaigns and associated Emotet and TrickBot malware.
- [Google Releases Security Updates for Chrome OS](#): Google released Chrome OS version 75.0.3770.102 for Chrome devices. This version addresses multiple vulnerabilities that an attacker could exploit to obtain sensitive information. The CISA encourages users and administrators to review the [Google Chrome blog entry](#) and apply the necessary updates.
- [NIST Releases Report on Managing IoT Risks](#): The National Institute of Standards and Technology (NIST) released the Considerations for Managing Internet of Things (IoT) Cybersecurity and Privacy Risks report. The publication, the first in a planned

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

Compliance Training

July 9

[Mortgage Lending Hot Spots Series: Surviving a TRID Compliance Exam \(Webinar\)](#)

July 9-10

[Basic Credit Union Accounting Class – CU Hawaii FCU, Hilo](#)

July 10

[FinCEN Guidelines on Reporting Elder Financial Exploitation \(Webinar\)](#)

July 14-26

[Western CUNA Management School, Pomona, California](#)

July 16

[IRA Series: Processing IRA Rollovers & Transfers \(Webinar\)](#)

July 18

[Regulation E Series: Legally Handling ATM & Debit Card Claims Under Regulation E \(Webinar\)](#)

July 23

[Call Report Series: Call Report Preparation: Avoiding Common Errors \(Webinar\)](#)

July 27

[Stay Engaged & Strengthen Teams Workshop - Hawaii Community FCU, Kona](#)

August 1

[*Developing a Cyber Security Program, HCUL Education Center](#)
[*IRA Series: IRA Reporting, Common Issues & Error Resolution \(Webinar\)](#)

August 2

[CECL Made Simple Workshop, HCUL Education Center](#)

August 21-23

[Operations Compliance School, Ala Moana Hotel](#)

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,

series on IoT, aims to help federal agencies and other organizations manage the cybersecurity and privacy risks associated with individual IoT devices.

Advocacy Highlight

[Comments on RBC Delay, Same-day ACH Changes Due in July](#)

Comments on proposals from several federal agencies that will have an effect on credit unions are due in the month of July, including on risk-based capital (July 25), same-day ACH changes (July 15), and more.

[CFPB Extends Comment Period for ANPR on HMDA Data Points](#)

The Consumer Financial Protection Bureau (Bureau) announced that it is extending until October 15, the comment period on the Bureau's Advance Notice of Proposed Rulemaking relating to Regulation C, which implements the Home Mortgage Disclosure Act. The notice announcing the extension of the comment period is available [here](#).

[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:

- Financial Literacy Day on Capitol Hill
- Celebrating the 85th anniversary of the Federal Credit Union Act
- 360-degree advocacy
- [Forbes highlights American's best credit unions](#)
- [Chairman Hood receives ceremonial swearing-in](#)
- [CFPB hosts symposium on UDAAP](#)
- [June Economic Update focuses on trade tensions](#)
- [The credit union difference in the spotlight](#)
- [Spotted! Open Your Eyes to a Credit Union®](#)
- [Letter responds to CFPB overdraft rule](#)
- [FDIC and CFPB to host webinar on elder abuse prevention](#)

[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:

- [Comments sent to NCUA in support of effort to update executive compensation rules](#)
- [Comments submitted to the CFPB in response to remittance rule RFI](#)
- [CUNA writes to E & C Subcommittee prior to markup of robocall legislation](#)
- [House passes FSGG with CUNA-supported increase in CDFI-funding](#)
- [Senate passes NDAA FY 2020 with CUNA-opposed language included](#)
- [CUNA Advocacy and Compliance leaders meet with NCUA staff](#)
- [CUNA & MDDCCUA attend CFPB's UDAAP Symposium](#)
- [CUNA writes to fintech task force prior to hearing on fintech regulation](#)

[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:

- [Potential Modifications to Federal Reserve Banks' National Settlement Service & Fedwire Funds Service due to Federal Reserve by July 15.](#)
- [Delay of Effective Date of Risk-Based Capital Rule due to NCUA by July 26.](#)

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.

- [Public Unit and Nonmember Shares due to the NCUA by July 29.](#)
- [Debt collection NPRM due to the CFPB by August 19.](#)
- [Home Mortgage Disclosure Act \(Reg C\) Data Points and Coverage due to the CFPB by October 15.](#)

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.