

InfoSight Highlight

Flood Insurance Topic Updated

The NCUA, OCC, FDIC, Federal Reserve Board System, and Farm Credit Administration amended their regulations to implement the private flood insurance provisions of the Biggert-Waters Flood Insurance Reform Act of 2012 (Biggert-Waters Act).

Effective July 2, 2019, credit unions are required to accept private flood insurance that meets the requirements established with the flood rules (meeting the definition under NCUA's [§760.2](#)). The rule:

- Requires regulated lending institutions (e.g., federally insured-credit unions) to accept "private flood insurance," as defined in the Biggert-Waters Act.
- Includes a streamlined compliance aid provision to allow a regulated lending institution to conclude that a policy meets the definition of "private flood insurance" without further review of the policy if the policy, or an endorsement to the policy, states: "This policy meets the definition of private flood insurance contained in 42 U.S.C. 4012a(b)(7) and the corresponding regulation."
- Permits institutions to choose to accept certain flood insurance policies issued by private insurers, even if the policies do not meet the statutory and regulatory definition of "private flood insurance" if the coverage and insurer meet certain conditions.
- Allows institutions to exercise their discretion to accept certain plans providing flood coverage issued by "mutual aid societies," as defined by the regulation.

For additional information go to the updated [Loans and Leasing channel](#) and click on the [Flood Insurance topic](#).

Compliance News

Federal Reserve System Synthetic Identity Fraud in the U.S. Payment System

The Federal Reserve System released a white paper on [Synthetic Identity Fraud in the U.S. Payment System](#) on the growing problem of synthetic identity fraud in the U.S. payment system. The paper is a compilation of insights from Federal Reserve and industry subject matter experts. It's intended to be a resource for industry professionals on the current state of synthetic identity fraud, including the scope of the issue, causes, contributing factors, and its impact on the payments industry.

IRS to Allow SSN Truncation on W-2 Forms

The IRS has issued final regulations [[84 FR 31717](#)] amending applicable sections of the Internal Revenue Code to permit employers to voluntarily truncate employees' social security numbers (SSNs) on copies of Forms W-2, Wage and Tax Statement, that are furnished to employees so that the truncated SSNs appear in the form of IRS truncated taxpayer identification numbers (TTINs). The amendments are effective upon publication, but will apply to returns, statements, and other documents required to be filed or furnished after December 31, 2020.

NACHA ACH Rule Effective Date Extended: Supplementing Fraud Detection Standards for WEB Debits

The upcoming effective date of the rule on Supplementing Fraud Detection Standards for WEB Debits is extended from January 1, 2020 to March 19, 2021. This extension is in response to industry requests to allow additional time for awareness, education and implementation.

CMG Webinar: Data Privacy Regulations & Risk Concerns

Stay ahead of privacy concerns related to data security by joining CUNA Mutual Group live on

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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](#)

July 17, at 8 a.m. HST. Hear from industry experts from CUNA Mutual Group, M3 Insurance Solutions, and Beazley Group.

In our data-driven world, credit unions can never be too safe. Find out which emerging themes can spur new privacy risks, from storing your data to ensuring its proper use. You'll learn what to monitor and how to adapt your programs.

US-CERT:

- [Juniper Networks Releases Multiple Security Updates](#): Juniper Networks released security updates to address multiple vulnerabilities in various products. The Cybersecurity and Infrastructure Security Agency (CISA) encourages users and administrators to review the [Juniper Security Advisories](#) webpage and apply the necessary updates.
- [Cisco Releases Security Updates for Multiple Products](#): Cisco released security updates to address a vulnerability in Cisco Adaptive Security Appliance Software and Firepower Threat Defense Software. The CISA encourages users and administrators to review the [Cisco Security Advisory](#) and apply the necessary updates.
- [Microsoft Releases July 2019 Security Updates](#): Microsoft released updates to address multiple vulnerabilities in Microsoft software.
- [Intel Releases Security Updates](#): Intel released security updates to address vulnerabilities in Intel Solid State Drives for Data Centers and Intel Processor Diagnostic Tool.
- [Mozilla Releases Security Updates for Firefox and Firefox ESR](#): Mozilla released security updates to address vulnerabilities in Firefox and Firefox ESR. The CISA encourages users and administrators to review the Mozilla Security Advisory for [Firefox 68](#) and [Firefox ESR 60.8](#) and apply the necessary updates.
- [Adobe Releases Security Updates](#): Adobe released security updates to address vulnerabilities affecting Bridge CC, Experience Manager, and Dreamweaver.

Advocacy Highlight

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:

- [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 unions and what CUNA is doing to monitor, analyze, and influence government agencies and federal law. Issues this week included:

- [Comments submitted to CFPB in response to review of overdraft rule](#)
- [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](#)

Pending Regulatory Comment Calls

The League encourages credit unions to use [PowerComment](#) to file comment letters with

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

Compliance Training

July 16

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

July 17

[ALM Virtual Boot Camp \(Webinar\)](#)

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 6

[Mortgage Lending Hot Spots Series: Adverse Action in Mortgage Lending: Compliance, Notices & Best Practices \(Webinar\)](#)

August 7

[Official Demands Part 1: Handling Subpoenas, Summonses & Other Legal Process \(Webinar\)](#)

August 8

[New Security Officer Training: Responsibilities, Best Practices & Skill-Building Tools \(Webinar\)](#)

August 13

[Advanced Financial Literacy Update for New & Experienced Directors: ALM Primer & Financial Accounting & Risk Issues \(Webinar\)](#)

August 14

[FFIEC Cyber Security Risk Assessments: Policy, Recent Findings & Recommendations \(Webinar\)](#)

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.](#)
- [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.](#)

August 15
[E-Compliance Rules, Policies & Best Practices for Email, Web, Mobile & Social Media \(Webinar\)](#)

August 20
[Regulation E Series: How to Handle Unauthorized Electronic Fund Transfers Under Reg E \(Webinar\)](#)

August 21-23
[Operations Compliance School, Ala Moana Hotel](#)

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.