

InfoSight Highlight

[Payday Alternative Loans](#)

Due to the recent extension of the Consumer Financial Protection Bureau's mandatory provisions of the Payday Lending Rule (see article below), the [Payday Alternative Loans topic](#) in the [Loans and Leasing channel](#) has been updated to reflect this change.

Credit unions offering some type of alternative payday loan program needs to make sure its program is compliant.

Compliance News

[CFPB Delays Final Rule Amendments to the 2017 Payday Lending Rule](#)

The Bureau issued this final rule to delay the August 19, 2019 compliance date for the mandatory underwriting provisions of the regulation promulgated by the Bureau in November 2017 governing the [Payday, Vehicle Title, and Certain High-Cost Installment Loans](#) (2017 Final Rule or Rule). Compliance with these provisions of the Rule is delayed by 15 months, to November 19, 2020. The Bureau is also making certain corrections to address several clerical and non-substantive errors it has identified in other aspects of the Rule. The Bureau released a [table of contents](#) for this final rule as well as an unofficial, informal [redline](#) to assist industry and other stakeholders in reviewing the changes that this final rule makes to the regulatory text and commentary of the 2017 Final Rule.

[NCUA Video Helps Explain the Home Buying Process](#)

Buying a home can be confusing, so the NCUA has created a new video that makes the process easier to understand. The NCUA video, [Understanding the Basics of Obtaining a Home Mortgage](#), guides potential homebuyers through the steps of shopping for the right mortgage loan and what to expect during the home buying process.

[NCUA Releases Q1 2019 Credit Union System Performance Data](#)

Data on the financial performance of federally insured credit unions for the quarter ending March 31, 2019 are now available from the NCUA. The NCUA's [Quarterly Data Summary Reports](#) include an overview of the quarterly Call Report data as well as tables showing the recent history of major credit union performance indicators.

[IRS Withholding Calculator Can Help Workers Have Right Amount of Tax Withheld Following Tax Law Changes](#)

Following the biggest set of tax law changes in more than 30 years, the Internal Revenue Service continues to remind taxpayers to do a [Paycheck Checkup](#) to help make sure they are having the right amount of tax withheld.

The Tax Cuts and Jobs Act, tax reform legislation enacted in December 2017, changed the way tax is calculated for most taxpayers. By visiting the [IRS Withholding Calculator](#), available on IRS.gov, taxpayers can make adjustments following recent tax laws that may affect them, including the larger standard deduction, the increased Child Tax Credit, or Other Dependent Credit.

[IRS Final Regulations on Charitable Contributions & State & Local Taxes](#)

Treasury announced the IRS has issued [final rules and additional guidance](#) on the federal income tax treatment of payments made under state and local tax credit programs. The regulations prevent charitable contributions made in exchange for state tax credits from circumventing the new limitation on state and local tax deductions. The amendments to the Internal Revenue Code are scheduled for Federal Register publication on June 13, and to be effective 60 days later, on August 12. They will be retroactively applicable to amounts paid or property transferred by a taxpayer after August 27, 2018.

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Compliance Calendar

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 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](#)

CUNA CompBlog: FCC Call Blocking

On June 6, the Federal Communications Commission approved a declaratory ruling allowing voice service providers to block calls by default (as opposed to a consumer opt-in) based on call analytics that target unwanted calls, as long as their customers are informed and have the opportunity to opt-out of the blocking.

The ruling clarified that Telecom providers may also offer their customers the choice to opt-in to tools that block calls from any number that does not appear on a customer's contact list or other "white lists." This option would allow consumers to decide directly whose calls they're willing to receive, based on the contact list in a person's smart phone.

IC3: Cyber Actors Exploit 'Secure' Websites In Phishing Campaigns

Websites with addresses that start with "https" are supposed to provide privacy and security to visitors. After all, the "s" stands for "secure" in HTTPS: Hypertext Transfer Protocol Secure. In fact, cyber security training has focused on encouraging people to look for the lock icon that appears in the web browser address bar on these secure sites. The presence of "https" and the lock icon are supposed to indicate the web traffic is encrypted and that visitors can share data safely. Unfortunately, cyber criminals are banking on the public's trust of "https" and the lock icon. They are more frequently incorporating website certificates, third-party verification that a site is secure, when they send potential victims emails that imitate trustworthy companies or email contacts. These phishing schemes are used to acquire sensitive logins or other information by luring them to a malicious website that looks secure.

CMG Webinar: Workplace Trends Impacting Credit Unions

Workplace culture has changed drastically over the years. And, with new risks emerging, your credit union is responsible for providing a safe and equitable environment for all employees. During this session, panelists will discuss some of the key workplace trends including:

- Self-expression
- Drugs in the Workplace
- Religious Expressing
- Personal Appearance
- Social Media

CMG RISK Alert: Concentrating on High Concentration Areas Within Your Loan Portfolio

Examiners have expressed their intent to look at specific areas where there is a high concentration of certain loan products. Monitoring concentrations and reporting to the board is critical to ensure alignment with the strategic direction of the credit union. It will also be important to demonstrate to examiners that you understand the risk in your portfolio.

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.

OFAC: Western Union Pays for Violations

The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) announced a \$401,697 [settlement](#) with Western Union Financial Services, Inc. ("Western Union"), of Denver, Colorado. Western Union has agreed to settle its potential civil liability for 4,977 apparent violations of the Global Terrorism Sanctions Regulations, 31 C.F.R. part 594 (GTSR). Between December 9, 2010, and March 13, 2015, Western Union processed 4,977 transactions totaling approximately \$1.275 million, which were paid out to third-party, non-designated beneficiaries who chose to collect their remittances at a Western Union Sub-Agent in The Gambia, Kairaba Shopping Center (KSC), an entity that was designated by OFAC pursuant to the GTSR on December 9, 2010. OFAC determined that Western Union voluntarily self-disclosed the apparent violations and that the apparent violations constitute a non-egregious case

US-CERT:

December 31

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

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

Compliance Training

June 18

[Regulation E Series: Reg E Fundamentals \(Webinar\)](#)

June 19

[Electronic Returned Items: Combating Fraud \(Webinar\)](#)

June 20

[Consumer Collection Series: Effective Debt Collection Techniques & Strategies \(Webinar\)](#)

June 24

[Complying with the 2019 SAR Cyber-Event Reporting Requirements \(Webinar\)](#)

June 25

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

June 26

[Card Data Security: PCI-DSS Risk, Readiness & Compliance \(Webinar\)](#)

June 27

[Living, Grantor & Family Trust Accounts: Common Problems in Account Opening & Lending \(Webinar\)](#)

June 29

[Solid Business Writing Workshop – Kauai](#)

July 1

[ALLL Supporting Documentation: Current Rules & Future Expectations Under CECL \(Webinar\)](#)

July 2

[Managing Accounts & Records for Nonresident Aliens: Opening, Identifying, Monitoring & Tax Reporting \(Webinar\)](#)

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](#)

- [Intel Releases Security Updates, Mitigations for Multiple Products](#): Intel released security updates and recommendations to address vulnerabilities in multiple products. The Cybersecurity and Infrastructure Security Agency (CISA) encourages users and administrators to review the Intel advisories and apply the necessary updates.
- [Microsoft Releases June 2019 Security Updates](#): Microsoft released updates to address multiple vulnerabilities in Microsoft software.
- [Adobe Releases Security Updates](#): Adobe released security updates to address vulnerabilities affecting ColdFusion, Adobe Campaign, and Adobe Flash Player.
- [IRS Warns of New Tax Scams](#): The Internal Revenue Service issued a reminder urging consumers to look out for two new variations of tax-related phone and email scams. The phone scam involves pre-recorded messages threatening to suspend or cancel a victim's Social Security number, and the email phishing scam involves a fake agency, the "Bureau of Tax Enforcement", claiming that the victim owes past due taxes. The CISA encourages taxpayers to review the [IRS Alert](#) and CISA's Tip on [Avoiding Social Engineering and Phishing Attacks](#) for more information on avoiding tax scams year round. If you believe you have been a victim of a tax-related scam, visit the IRS webpage on [Tax Scams - How to Report Them](#).

Advocacy Highlight

[FCC Call-Blocking Rule Includes Relief for Legitimate Callers](#)

On June 6, the Federal Communications Commission (FCC) voted to approve its default call-blocking order, which includes a CUNA-supported mechanism for challenging erroneous call blocking. [CUNA is concerned](#) the order will lead to credit unions being unable to reach members with important information with members unaware the calls have been blocked.

FCC Chairman Ajit Pai said that the proposal had been [modified in response to feedback](#) to include a "safety valve" to allow legitimate callers to file complaints with voice carriers over erroneously blocked calls, which CUNA called for in its comment letter.

[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:

- Our cooperative principles at work
- [FCC votes in favor of robocall proposal](#)
- [NCUA issues alert on flood insurance alternatives](#)
- [Bill moving through committee that would fund CDFI Fund](#)
- [Joint letter urges action on cannabis banking](#)
- [Credit union leaders graduate from DE program](#)

[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:

- [The Week Ahead in Washington](#)
- [360-degree advocacy demonstrated in changes for FCC declaratory ruling](#)
- [4th Circuit Grants CUNA's motion to file amicus](#)
- [Credit union system writes to Senate Banking Committee in support of SAFE Banking Act](#)
- [Two-day CUAC meeting held at CFPB](#)
- [CFPB delays Payday Rule's Underwriting Requirements](#)

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](#)

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.

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:

- [*Compensation in connection with loans and lines of credit to members due to NCUA by June 24*](#)
- [*Potential Regulatory Changes to the Remittance Rule due to the CFPB by June 28*](#)
- [*Regulatory Flexibility Act Review of 2009 Overdraft Rule due to the CFPB by July 1*](#)
- [*Home Mortgage Disclosure Act \(Reg C\) Data Points and Coverage due to the CFPB by July 8*](#)
- [*Public Unit and Nonmember Shares due to the NCUA by July 29*](#)
- [*Debt collection NPRM due to the CFPB by August 19*](#)

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.