

InfoSight Highlight

Board Responsibilities: Fidelity Bonds

The [Director Responsibilities topic](#) has been updated to reflect the recent changes made by the NCUA related to fidelity bond requirements for federally insured credit unions. These requirements are located under the [Board Responsibilities channel](#) since there are new requirements for the Board to follow in the review and approval of fidelity bond insurance for the credit union.

Compliance News

NCUA: Registration Open for Consumer Financial Protection Webinar

Credit unions can get valuable information about a range of consumer protection topics on a November 19, webinar hosted by the National Credit Union Administration. Registration for the webinar, "Fair Lending and Consumer Compliance Regulatory Update," is [now open](#). The webinar is scheduled to begin at 2 p.m. Eastern (9 a.m. Hawaii) and run approximately 90 minutes. Participants will be able to log into the webinar and view it on their computers or mobile devices using the registration link. They should allow pop-ups from this website.

CFPB: 25 Tips to Improve Your Financial Well-Being

Your [financial well-being](#) is about more than your income and credit score. Instead, it tells a larger story about how you manage your money. This October, during Financial Planning Month, we've pulled together [25 easy-to-follow tips](#) for getting a handle on your money and improving your overall financial well-being. It starts with getting a realistic picture of where your money is coming from and where it's going. Then, we walk you through how to stay on top of your finances so you can plan and save for the future.

FHFA Releases New Strategic Plan and Scorecard for Fannie Mae and Freddie Mac

The Federal Housing Finance Agency (FHFA) released a new [Strategic Plan](#) for the Conservatorships of Fannie Mae and Freddie Mac and a new [2020 Scorecard for Fannie Mae, Freddie Mac, and Common Securitization Solutions](#). The Strategic Plan provides a framework for how FHFA will guide Fannie Mae and Freddie Mac (the Enterprises) to fulfill their statutory missions, focus on safety and soundness, and prepare for a responsible end to the conservatorships. The Scorecard aligns the Strategic Plan with the Enterprises' tactical priorities and operations, serving as an essential tool to hold the Enterprises accountable for the effective implementation of the Strategic Plan.

IRS: Taxpayers Should be on the Lookout for New Version of SSN Scam

Taxpayers should be on the lookout for new variations of tax-related scams. In the latest twist on a scam related to Social Security numbers, scammers claim to be able to suspend or cancel the victim's SSN. It's yet another attempt by con artists to frighten people into returning 'robocall' voicemails. Scammers may mention overdue taxes in addition to threatening to cancel the person's SSN. If taxpayers receive a call threatening to suspend their SSN for an unpaid tax bill, they should just hang up. Make no mistake...it's a scam.

FinCEN Prohibits Iranian Correspondent Accounts

FinCEN issued a [final rule](#) to prohibit the opening or maintaining of correspondent accounts in the United States for, or on behalf of, Iranian financial institutions, and the use of foreign financial institutions' correspondent accounts at covered U.S. financial institutions to process transactions involving Iranian financial institutions. The rule will be effective 10 days after publication in the Federal Register.

US-CERT:

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Compliance Calendar

October 31

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

November 24

[SAFE Act. – MLO Registration](#)

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](#)

January 1, 2020

*[HMDA Thresholds/Regulation C \(CFPB\)](#)
*[Risk-Based Capital \(NCUA\)](#)

February 1, 2020

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

March 20, 2020

[Increasing the Same Day ACH Dollar Limit](#)

June 30, 2020

[Supplementing Data Security Requirements](#)

Compliance Training

- [Apple Releases Security Updates](#): Apple released security updates to address vulnerabilities in multiple products. 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 Apple security pages for products and apply the necessary updates.
- [Microsoft Reports Global Cyberattacks on Sporting and Anti-Doping Organizations from Russian Espionage Actors](#): Microsoft publicly released information revealing an uptick in cyberattacks globally targeting anti-doping authorities and sporting organizations.
- [Samba Releases Security Updates](#): The Samba team released security updates to address vulnerabilities in multiple versions of Samba. An attacker could exploit some of these vulnerabilities to obtain sensitive information.
- [FTC Provides Tips for Warding Off Hackers](#): The Federal Trade Commission (FTC) released an article with tips on how protect your personal information from being stolen by hackers. In support of National Cybersecurity Awareness Month (NCSAM), FTC provides recommendations on how to safeguard phones, computers, accounts, and personally identifiable information. The CISA encourages consumers to review the [FTC article](#) and the additional resources for more information.
- [Mozilla Releases Security Update for Thunderbird](#): Mozilla released a security update to address vulnerabilities in Thunderbird. An attacker could exploit some of these vulnerabilities to take control of an affected system. The CISA encourages users and administrators to review the Mozilla Security Advisory for [Thunderbird 68.2](#) and apply the necessary update.

Questions & Answers

Question: Our federal credit union (FCU) has a suspension of services policy it applies to members who cause a loss to the credit union. We want to know if it can be extended to other situations, such as members who threaten or behave inappropriately towards staff or other members, have presented counterfeit items, kite checks, or engage in suspicious transactions.

Answer: An FCU may have a policy suspending or limiting services to members in various circumstances if there is a rational basis for the policy and members receive notice of the policy, but a credit union cannot terminate a member's right to vote in annual elections or maintain a share account without complying with the FCU Act's requirements for expulsion.

The Federal Credit Union Act (FCU Act) grants all members two basic rights: the right to maintain a share account and the right to vote at annual meetings. 12 U.S.C. §§1759, 1769. These rights cannot be suspended or terminated without following the process for expelling a member in the FCU Act. 12 U.S.C. §1764. Nothing in the FCU Act or the National Credit Union Administration's (NCUA) regulations, however, precludes an FCU from restricting the availability of certain services to members, provided the FCU has a rational basis for doing so and members have notice of the policy.

Your proposal would extend your current suspension of services policy to members who are abusive to credit union staff and members or who present a risk of loss to the credit union. In a previous opinion, letter we addressed suspension of service policies as applied to an abusive member. [OGC Op. 91-0119](#) (February 20, 1991). That letter provides that an FCU may establish a policy denying an abusive member access to FCU premises or to services that involve personal contact with FCU employees.

Source: [NCUA opinion letter](#)

Advocacy Highlight

[House Passes Bill to Index CTR Thresholds with Inflation](#)

The House passed a CUNA-supported bill that would update part of the Bank Secrecy Act/Anti-money Laundering statutory framework, the Coordinating Oversight, Upgrading and Innovating Technology (COUNTER) Act (H.R. 2514), authored by Rep. Emmanuel Cleaver (D-Mo.). The

October 29
[Personal Accounts: Ownership, Authorization, Titling & Documentation \(Webinar\)](#)

October 30
[1099 Reporting: Foreclosures, Repossessions & Debt Settlements \(Webinar\)](#)

October 31
[New BSA Officer Training Part 2: Reviews, SARs, CDD, Technical Aspects & Real-Life Scenarios \(Webinar\)](#)

November 5
[Year-End Compliance Checklist \(Webinar\)](#)

November 6
[Top 10 Compliance Mistakes in Advertising \(Webinar\)](#)

November 7
[Understanding & Navigating ACH Rules for ODFIs \(Webinar\)](#)

November 12
[Regulation E Series: Provisional Credit Under Reg E: Rules, Best Practices & FAQs \(Webinar\)](#)

November 13
[Closing or Changing Accounts for Consumers & Businesses \(Webinar\)](#)

November 19
[When a Borrower Dies: Rules, Procedures & Liabilities \(Webinar\)](#)

November 20
[Robbery Preparedness: Meeting Your Annual Compliance Requirement \(Webinar\)](#)

November 21
[BSA Special Risks: Policy, Law Enforcement & Regulator Issues \(Webinar\)](#)

November 22-23
[Regulatory & Governmental Affairs Conference, Ala Moana Hotel](#)

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

bill passed with a voice vote. Specifically, the COUNTER Act would index the Currency Transaction Report (CTR) threshold for inflation every five years and further study the impact of Suspicious Activity Reports.

[NCUA Posts 2020–2021 Proposed Budget, Sets November 20 Public Briefing](#)

The NCUA's [proposed 2020–2021 budget](#) is now available for review and comment. Final budget decisions remain with the Board, and we want those decisions to be informed by public comments.

The proposed 2020 operating budget is \$316.2 million and includes an increase of three positions from the authorized 2019 staffing levels. The agency will also publish the proposal in the *Federal Register*. The public comment period is open until December 2. To comment on the Proposed Budget, Email comments to BudgetComments@ncua.gov by December 2; comments should provide specific, actionable recommendations.

[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:

- Banks attack us, want to be like us...
- 360-degree advocacy
- [NCUA Board meeting addresses FOM, nonmember deposit rule](#)
- CUNA attends CUAC meeting
- [Compliance management technology matters](#)
- Board leaders gather for CUNA conference

[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](#)
- [Credit unions continue to live the credit union difference!](#)
- [House passes CUNA-supported Bank Secrecy Act \(BSA\) Anti-Money Laundering Legislation](#)
- [NCUA adopts rule on Nonmember Deposits, proposes FOM Rule and receives cybersecurity briefing](#)
- [HFSC holds hearing on affordable housing](#)
- [Letter sent prior to HFSC Subcommittee hearing on Minority Depository Institutions](#)
- [Benefit of Membership: Q3 Economic Update!](#)

[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:

- [Federal Reserve actions to support Interbank settlement of faster payments due to FED by November 7.](#)
- [Tech Sprints due to CFPB by November 8.](#)
- [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.](#)
- [Truth in Lending \(Reg Z\) Annual Threshold Adjustments due to CFPB by January 1, 2020.](#)

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.