



# Important Compliance Dates as of March 2019

Deadline	Brief Summary and Compliance Resources
<p style="text-align: center;"><b>Effective for taxable years beginning after December 31, 2017.</b></p> <p style="text-align: center;">Treasury and IRS</p> <p style="text-align: center;"><a href="#">Section 4960 of the Internal Revenue Code</a></p>	<p>On December 31, 2018, the Treasury Department and Internal Revenue Service issued Notice 2019-09 to provide interim guidance about compliance with the requirements in section 4960 of the Internal Revenue Code added by the <i>Tax Cuts and Jobs Act</i> (TCJA). Under section 4960, organizations are required to pay excise taxes on excess remuneration and excess parachute payments made to covered employees. This applies to credit unions because credit unions fall under the definition of an Applicable Tax-Exempt Organization. Under the definitions outlined in the guidance, section 4960 could <i>potentially</i> also apply to a credit union service organization (CUSO) as a related organization. The interim guidance answers questions about how to report and pay the section 4960 excise tax. It is to be reported and paid using Form 4720, Return of Certain Excise Taxes Under Chapters 41 and 42 of the tax code. The regulators intend to issue proposed regulations in connection with section 4960.</p> <p>Final Regulation – <a href="#">19-EF-03</a></p>
<p style="text-align: center;"><b>December 18, 2018</b></p> <p style="text-align: center;">CFPB</p> <p style="text-align: center;"><a href="#">12 CFR Part 1003</a></p>	<p>On December 21, 2018, the bureau issued final policy guidance that describes what loan-level data collected under the Home Mortgage Disclosure Act (HMDA) and Regulation C will be disclosed to the public. This applies to HMDA data compiled by financial institutions in or after 2018 and made available to the public by the bureau beginning in 2019. In general, the final policy guidance is similar to the September 2017 proposal that first described the bureau’s balancing test for disclosure of loan-level HMDA data. The revised portions of the final policy are designed to reduce the risk of potential re-identification of borrowers. The bureau intends to commence a rulemaking in the spring of 2019 that will enable it to identify more definitively modifications to the data that it determines to be appropriate under the balancing test and incorporate these modifications into a legislative rule.</p> <p>Final Regulation – <a href="#">19-EF-01</a></p> <p>Compliance Blog – <a href="#">HMDA/Regulation C</a></p> <p>NAFCU Resources – <a href="#">HMDA Compliance</a></p>
<p style="text-align: center;"><b>January 1, 2019</b></p> <p style="text-align: center;">Federal Reserve</p> <p style="text-align: center;"><a href="#">12 CFR Part 229</a></p>	<p>The final rule adopts a presumption of alteration for disputes over whether a substitute check or electronic check contains an alteration or is derived from an original check that was issued with an unauthorized signature of the drawer (e.g., a forgery). The presumption may be overcome by a preponderance of the evidence which establishes that a substitute check or electronic check does not contain an alteration or is derived from an original check that was issued with an unauthorized signature of the drawer. If the original check is made available for examination by all banks involved in the dispute, the presumption shall no longer apply. The final rule also modifies the terms “alteration” and “unauthorized signature” to now be consistent with their respective definitions in the Uniform Commercial Code (UCC).</p> <p>Final Regulation – <a href="#">18-EF-13</a></p> <p>Compliance Blog – <a href="#">9/24/18</a></p>

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<p><b>February 15, 2019</b> VA <a href="#">38 CFR Part 36</a></p>	<p>The Department of Veterans Affairs (VA) published an interim final rule amending its regulations regarding VA-guaranteed or insured cash-out refinance loans as required by § 309 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (S. 2155). The interim final rule: 1) defines the parameters of when the VA will permit cash-out refinance loans; and 2) includes the criteria for net tangible benefit, recoupment and seasoning requirements.</p> <p><b>Note:</b> <i>This interim final rule is applicable to credit unions that refinance VA loans.</i></p> <p>Final Regulation – <a href="#">19-EF-02</a></p>
<p><b>April 1, 2019</b> CFPB <a href="#">12 CFR Parts 1005 and 1026</a></p>	<p>The bureau issued a final rule proposing new federal consumer protections for the prepaid market under Regulations E and Z. The final rule and its 2018 amendments modified general Regulation E requirements to create: new disclosures; error resolution procedures; consumer liability limits for unauthorized transactions; fee limits; and additional requirements for accounts with overdraft or credit features. A prepaid account issuer is required to post its prepaid account agreements on its website and submit such agreements, which must satisfy the rule's form and content requirements, to the CFPB for posting on its website. Share insurance is not a requirement to offer prepaid account products but a credit union is required to disclose when a prepaid account is not set up to be eligible for National Credit Union Share Insurance Fund pass-through share insurance. Overdraft services offered on prepaid accounts are considered "open-end credit" under Regulation Z so are subject to Regulation Z's credit card rules and disclosure requirements for open-end (not home-secured) consumer credit plans.</p> <p><b>Note:</b> <i>On January 25, 2018, the bureau issued a final rule amending the 2016 prepaid accounts rule and extending the overall effective date to April 1, 2019.</i></p> <p>Final Regulation – <a href="#">16-EF-10</a>, <a href="#">18-EF-02</a></p> <p>Compliance Blog – <a href="#">11/30/16</a>, <a href="#">2/1/17</a>, <a href="#">7/3/17</a>, <a href="#">2/7/18</a></p> <p>Compliance Monitor – <a href="#">February 2017</a>, <a href="#">March 2019</a></p>
<p><b>May 1, 2019</b> CFPB</p>	<p>Deadline for prepaid issuers to submit account agreements through Collect, the bureau's electronic submission system. All prepaid account agreements offered as of April 1 must be submitted to Collect by May 1; after that, submissions must be made to the bureau within 30 days whenever a new agreement is offered, a previously submitted agreement is amended, or a previously submitted agreement is no longer offered. The bureau offers <a href="#">various resources for prepaid issuers</a>, including a user guide, quick reference FAQs and webinar.</p>

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<p style="text-align: center;"><b>July 1, 2019</b></p> <p style="text-align: center;">NCUA et al <a href="#">12 CFR Part 760</a></p>	<p>This final rule implements the flood insurance provisions of the Biggier-Waters Flood Insurance Reform Act of 2012 by requiring credit unions to accept policies that meet the statutory definition of “private flood insurance.” It includes a compliance aid to help credit unions determine whether a policy meets the definition of private flood insurance. In general, a credit union may determine a policy meets the definition of private flood insurance without further review if this endorsement is included as part of the policy: “This policy meets the definition of private flood insurance contained in 42 U.S.C. 4012a(b)(7) and the corresponding regulation.” The final rule also permits a credit union to exercise its discretion to accept flood insurance policies issued by private insurers and plans issued by mutual aid societies that do not meet the statutory definition of private flood insurance, provided that certain conditions are met.</p> <p>Final Regulation – <a href="#">19-EF-04</a></p> <p>Compliance Blog – <a href="#">2/15/19</a></p>
<p style="text-align: center;"><b>August 19, 2019</b></p> <p style="text-align: center;">CFBP <a href="#">12 CFR Part 1041</a></p> <p><b>Note:</b> On 2/6/19, the <a href="#">bureau</a> released two NPRs to reconsider the rule’s mandatory underwriting requirements and to delay the compliance date to November 19, 2020.</p>	<p>The final rule requires lenders to reasonably assess a consumer’s reasonable ability-to-repay (ATR) two types of consumer loan products: “short-term loans” and “longer-term balloon-payment loans.” A higher rate, longer-term product is also a covered loan, but the lender is only required to comply with payment withdrawal restrictions and disclosure and record retention requirements. The rule did not incorporate the proposed requirements that would have infringed upon NCUA’s PAL program. Federal credit unions’ statutory right of offset to collect against an outstanding balance on a covered loan is explicitly permitted in the final rule. Certain loan products, such as purchase money security interests in vehicles, home mortgages, credit cards, student debt, and overdraft services are excluded from coverage. It also exempts “accommodation loans,” so long as the lender does not originate more than 2,500 covered loans in a calendar year or did not derive more than 10 percent of its receipts from covered loans.</p> <p>Final Regulation – <a href="#">17-EF-10</a></p> <p>Compliance Blog – <a href="#">10/23/17</a></p>



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<p align="center"><b>January 1, 2020</b> CFBP <a href="#">12 CFR Part 1003</a></p>	<p>The bureau issued a final rule making several substantive revisions to Regulation C's reporting requirements under the Home Mortgage Disclosure Act (HMDA). With the changes, the class of covered transactions now includes most dwelling-secured open-end and closed-end lending, effectively mandating reporting on HELOCs. The final rule also expands the HMDA data set, requiring credit unions to report on a total of roughly 38 data points. The modified institutional coverage test will be implemented under a "phased in" schedule.</p> <p>Credit unions that reported at least 60,000 covered loans and applications, combined, in the preceding calendar year will be required to conduct quarterly data submissions.</p> <p>Final Regulation – <a href="#">15-EF-17</a> Compliance Blog – <a href="#">HMDA/Regulation C, 4/11/18</a> NAFCU Resources – <a href="http://www.nafcu.org/hmda/">http://www.nafcu.org/hmda/</a></p>
<p align="center"><b>January 1, 2020</b> NCUA <a href="#">12 CFR Parts 700, 701, 702, 703, 713, 723, and 747</a></p>	<p>NCUA's new final capital adequacy rules establish a new method for computing the agency's risk-based requirement that would include a risk-based capital (RBC) ratio measure for complex credit unions. The final rule sets forth ten categories of risk-weights for various types of assets based on the risk associated with particular investments. For example, cash would be assigned a zero percent risk weight while riskier assets such as mortgage servicing and CUSO activities would have substantially higher risk-weights. The final rule makes the following key changes to the agency's existing capital requirements: 1) establishes a new RBC ratio for federally insured natural person credit unions with over \$100 million in assets; changes the definition of "complex credit union," for the purposes of capital requirements, to include credit unions greater than \$500 million in assets; 2) establishes a RBC ratio of 10 percent for well-capitalized credit unions; 3) establishes a RBC ratio of 8 percent for adequately-capitalized credit unions; 4) revises existing risk weights to reflect recent changes made by other banking regulators under the Basel System; 5) requires higher minimum levels of capital for credit unions with concentrations of assets in real estate loans, commercial loans or non-current loans; and 6) sets forth how, through its supervisory authority, NCUA can address a credit union that does not hold capital that is commensurate with its risks.</p> <p>Final Regulation – <a href="#">15-EF-15</a> Compliance Blog – <a href="#">Risk-Based Capital</a></p>

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<p><b>Ongoing</b> NIST <a href="#">Framework for Improving Critical Infrastructure Cybersecurity</a></p>	<p>The National Institute of Standards and Technology released a voluntary framework for use to identify, assess and mitigate threats to cybersecurity infrastructure. The framework’s risk-based approach is designed to make cost-benefit assessments based on resource estimates (e.g., staffing, funding) to achieve cybersecurity goals in a cost-efficient manner and is broken into three main parts, the: Framework Core; Framework Implementation Tiers; and Framework Profiles. This is designed to be a “living document” that will be updated to keep pace with changes in technology and threats, and to incorporate lessons learned.</p> <p>Final Regulation – <a href="#">14-EF-05</a></p>
<p><b>Ongoing</b> DoL <a href="#">29 CFR Part 541</a></p>	<p>The Department of Labor (DoL) finalized overtime provisions of the Fair Labor Standards Act (FLSA) to allow any full-time salaried employees making less than \$913 per week, or \$47,476 annually, to be eligible for overtime protections. The final rule also set the highly compensated employee (HCE) annual compensation level to \$134,004. It allows for up to 10 percent of nondiscretionary commission, incentive pay or bonuses to be counted towards salary levels of exempt employees if paid on at least a quarterly basis. The salary and HCE pay levels will adjust automatically every three years, with the first adjustment taking effect on January 1, 2020. The final rule does not redefine the “duties test” for full time salaried employees.</p> <p><b>Note:</b> <i>On August 31, 2017, the final rule was struck down by a federal district court. An appeal of that decision was filed, but is currently stayed, pending the outcome of a new rulemaking by DoL, which <a href="#">announced</a> a notice of proposed rulemaking on March 7, 2019.</i></p> <p>Final Regulation – <a href="#">16-EF-08</a> Compliance Blog – <a href="#">5/20/16</a></p>

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# Pending Regulations

*(Proposed Regulations Not Yet Finalized)*

Proposal	Agency	NAFCU Resources
12 CFR Parts 701-704,709, 712-715,721-723,740-741,746, 748-749 <i>Regulatory Reform Agenda</i>	NCUA	Regulatory Alert – <a href="#">17-EA-24</a>
12 CFR Part 701 <i>Payday Alternative Loans</i> RIN: 3133-AE84	NCUA	Regulatory Alert – <a href="#">18-EA-21</a>
24 CFR Part 100 <i>Reconsideration of HUD's Implementation of the Fair Housing Act's Disparate Impact Standard</i> RIN: 2529-ZA01	HUD	Regulatory Alert – <a href="#">18-EA-22</a>
12 CFR Parts 1206 and 1240 <i>Enterprise Capital Requirements</i> RIN: 2590-AA95	FHFA	Regulatory Alert – <a href="#">18-EA-23</a>
12 CFR Part 702 <i>Risk-Based Capital—Supplemental Rule</i> RIN: 3133-AE90	NCUA	Regulatory Alert – <a href="#">18-EA-24</a>



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Proposal	Agency	NAFCU Resources
<p style="text-align: center;">12 CFR Part 701</p> <p style="text-align: center;"><i>Loans to Members and Lines of Credit to Members</i></p> <p style="text-align: center;">RIN: 3133-AE88</p>	<p>NCUA</p>	<p>Regulatory Alert – <a href="#">18-EA-25</a></p>
<p style="text-align: center;">Accounting Standards Codification</p> <p style="text-align: center;"><i>Current Expected Credit Losses (CECL) Update</i></p>	<p>FASB</p>	<p>Regulatory Alert – <a href="#">18-EA-26</a></p>
<p style="text-align: center;">12 CFR Chapter X</p> <p style="text-align: center;"><i>Policy to Encourage Trial Disclosure Programs</i></p>	<p>CFPB</p>	<p>Regulatory Alert – <a href="#">18-EA-27</a></p>
<p style="text-align: center;">12 CFR Part 1248</p> <p style="text-align: center;"><i>Uniform Mortgage-Backed Security</i></p> <p style="text-align: center;">RIN: 2590-AA94</p>	<p>FHFA</p>	<p>Regulatory Alert – <a href="#">18-EA-28</a></p>
<p style="text-align: center;">12 CFR Part 722</p> <p style="text-align: center;"><i>Real Estate Appraisals</i></p> <p style="text-align: center;">RIN: 3133-AE79</p>	<p>NCUA</p>	<p>Regulatory Alert – <a href="#">18-EA-29</a></p> <p>Compliance Blog – <a href="#">9/20/18</a></p>
<p style="text-align: center;">13 CFR Parts 103, 120 and 121</p> <p style="text-align: center;"><i>Express Loan Programs; Affiliation Standards</i></p> <p style="text-align: center;">RIN: 3245-AG74</p>	<p>SBA</p>	<p>Regulatory Alert – <a href="#">18-EA-30</a></p>

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<p style="text-align: center;">12 CFR Chapter II</p> <p style="text-align: center;"><i>Interbank Settlement of Faster Payments</i></p>	Federal Reserve	Regulatory Alert – <a href="#">18-EA-31</a>
<p style="text-align: center;">12 CFR Part 701</p> <p style="text-align: center;"><i>Federal Credit Union Bylaws</i></p> <p style="text-align: center;">RIN: 3313-AE86</p>	NCUA	Regulatory Alert – <a href="#">18-EA-33</a> Compliance Blog – <a href="#">11/16/18</a> , <a href="#">12/21/18</a>
<p style="text-align: center;">12 CFR Parts 704 and 713</p> <p style="text-align: center;"><i>Fidelity Bonds</i></p> <p style="text-align: center;">RIN: 3133-AE87</p>	NCUA	Regulatory Alert – <a href="#">18-EA-34</a>
<p style="text-align: center;">12 CFR Part 1030 and Part 229</p> <p style="text-align: center;"><i>Availability of Funds and Collection of Checks (Regulation CC)</i></p> <p style="text-align: center;">RIN: 3170-AA31, 7100AF-28</p>	CFPB, Federal Reserve	Regulatory Alert – <a href="#">18-EA-35</a>
<p style="text-align: center;">12 CFR Part 1254</p> <p style="text-align: center;"><i>Validation and Approval of Credit Score Models</i></p> <p style="text-align: center;">RIN 2590-AA98</p>	FHFA	Regulatory Alert – <a href="#">18-EA-36</a>
<p style="text-align: center;">12 CFR Part 1041</p> <p style="text-align: center;"><i>Payday, Vehicle Title, and Certain High-Cost Installment Loans</i></p> <p style="text-align: center;">RIN 3170-AA80</p>	CFPB	Regulatory Alert – <a href="#">19-EA-03</a>

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12 CFR Part 1041 <i>Delay of Compliance Date - Payday, Vehicle Title, and Certain High-Cost Installment Loans</i> RIN 3170-AA80	CFPB	Regulatory Alert – <a href="#">19-EA-04</a>
12 CFR Part 715 <i>Supervisory Committee Audits and Verifications</i> RIN 3133-AE91	NCUA	Regulatory Alert – <a href="#">19-EA-05</a>