

# Monthly Economic and CU Monitor Survey

None of your identifying information will ever be made public. All reported data is aggregated. Please return completed survey by email to [research@nafcu.org](mailto:research@nafcu.org) by **January 11<sup>th</sup>**.

**\* 1. Credit Union Name**

**2. Credit Union Charter Number**

**3. Contact Person Name**

**4. Contact Phone or Email (whichever is preferred)**

# Credit Union Sentiment Index

## 1. How would you describe the conditions for your credit union's growth?

- Very good
- Somewhat good
- Somewhat bad
- Very bad
- Don't know

## 2. What is the single most important reason behind your outlook on growth?

- Economic conditions
- Interest rates
- Loan demand/ performance
- Competition
- Labor costs or quality
- Regulatory environment
- Other (please specify)

## 3. How would you describe the conditions for your credit union's earnings?

- Very good
- Somewhat good
- Somewhat bad
- Very bad
- Don't know

## 4. What is the single most important reason behind your outlook on earnings?

- Economic conditions
- Interest rates
- Loan demand/ performance
- Competition
- Labor costs or quality
- Regulatory environment
- Other (please specify)

## 5. How would you describe your credit union's current level of loan demand?

- Very strong
- Somewhat strong
- Somewhat weak
- Very weak
- Don't know

**6. How would you describe the quality of your credit union's loan applicants?**

- Very strong
- Somewhat strong
- Somewhat weak
- Very weak
- Don't know

**7. The current level of regulatory burden facing my credit union is \_\_\_\_\_ than what we faced one year ago.**

- Much higher
- Somewhat higher
- About the same
- Somewhat lower
- Much lower
- Don't know

**8. One year from now, I expect the level of regulatory burden will be \_\_\_\_\_ than it is today.**

- Much higher
- Somewhat higher
- About the same
- Somewhat lower
- Much lower
- Don't know

## Special Topic: 2019 Regulatory Priorities

### CECL

**How would you characterize the expected impact of CECL on your credit union's ALLL? In your response, please include the expected percentage change in ALLL, if known, and any related impact to your credit union (i.e., holding more capital, adjusting underwriting standards, etc.).**

**Approximately how many hours has your credit union spent on CECL-related issues so far, such as review of loss estimation processes or model selection?**

**Which of the following best describes your own assessment of where you are in your preparations for CECL?**

- Ahead of schedule
- On schedule
- Somewhat behind schedule
- Seriously behind schedule
- Not sure

**What elements of CECL implementation are most concerning for your credit union? Check all that apply.**

- Impact on capital and net worth
- Developing a reasonable and supportable forecast
- Selecting a loss estimate methodology
- IT investments or upgrades for data collection processes
- Pro-cyclicality of the standard during times of economic stress
- Cost of vendor solution
- Lack of guidance from the NCUA
- Internal training and knowledge

**The banking agencies recently finalized a rule that allows banks to phase in CECL's day-one, negative impact on regulatory capital over a three-year period. In general, would you support a similar option for credit unions?**

- Yes
- No

**How would a three-year phase in period affect your transition to CECL?**

- Would make the transition much easier
- Would make the transition somewhat easier
- Would not have much impact on the transition
- Not sure

## BCFP – Regulatory Issues

The BCFP is in the process of reviewing responses to the twelve requests for information (RFIs) that were issued in 2018. Of the RFIs listed below, which should receive priority as the BCFP considers next steps or possible revisions to its rules? Check all that apply.

- Consumer Complaint and Inquiry Handling Processes
- Public Reporting Practices of Consumer Complaint Information
- Financial Education Programs
- Guidance and Implementation Support
- Bureau’s Inherited Regulations and Inherited Rulemaking Authorities
- Bureau’s Adopted Regulations and New Rulemaking Authorities
- Rulemaking Processes
- External Engagements
- Supervision Program
- Enforcement Processes
- Bureau Rules of Practice for Adjudication Proceedings
- Civil Investigative Demands and Associated Processes

Has your credit union encountered inconsistencies in BCFP regulations that are not addressed in either regulations or guidance?

## BCFP - Ability to Repay / Qualified Mortgage Rule

Roughly what percentage of your credit union's 2018 mortgage originations (by dollar amount) did not meet the QM criteria?

If the 43 percent debt-to-income ratio under the QM rule were increased, what would be an appropriate threshold?

If the 3 percent points and fees cap were increased, what would be an appropriate threshold?

Which of the following items, if excluded from the points and fees calculation, would achieve the most relief for your credit union? Please check all that apply.

- Payments to employee loan originators and mortgage brokers involved in the transactions
- Affiliate title charges
- Escrow charges for taxes and insurance
- Lender-paid compensation to a corresponding bank, credit union or mortgage brokerage firm
- Loan level price adjustments
- Other (please specify)

## Marijuana Banking

Given the uncertainty surrounding the legality of marijuana banking, which of the following statements best reflects your position on this subject:

- Would not be interested in serving marijuana related businesses under any circumstances, even if marijuana were legalized at the federal and state level.
- Would be interested in serving marijuana related businesses if marijuana is legalized at the federal level.
- Would be interested in serving marijuana related businesses if marijuana is legalized at the state level and regulators clarify supervisory expectations unambiguously.
- Would be interested in serving marijuana related businesses if relevant regulators and law enforcement provide a safe harbor.
- Other (please specify)

## Housing Finance Reform

Both the administration and Congress are considering housing finance reform in 2019. Which of the following potential changes to the housing finance system would concern you most? Check all that apply.

- Reduced access to the secondary market
- The return of volume discounts for big bank mortgage aggregators
- Elimination or reduced prevalence of the 30-year fixed rate mortgage
- Elimination of the cash window
- Increased guarantee fees
- Loss of servicing rights on mortgages

## Regulatory Issues – General

For each of the following BCFP issues, please indicate your credit union's level of concern.

	Little or no concern	Somewhat concerned	Very concerned	Not sure
Prepaid accounts rule compliance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Payday lending rule compliance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
UDAAP	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
HMDA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mortgage servicing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Remittances	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
ATR/QM	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3rd party debt collection	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Small business data collection	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Consumer access to financial records	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Disclosure of records and information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For each of the following NCUA issues, please indicate your credit union's level of concern.**

	Little or no concern	Somewhat concerned	Very concerned	Not sure
Voluntary mergers rule compliance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Asset securitization guidance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Supplemental capital	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bylaws	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loan interest rate ceiling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loan maturities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Field of membership	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For each of the following issues related to other agencies, please indicate your credit union's level of concern.**

	Little or no concern	Somewhat concerned	Very concerned	Not sure
Department of Defense – Military Lending Act Interpretive Rule	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
FASB – CECL	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Federal Reserve – Regulation CC / funds availability amendments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
FinCEN – Bank Secrecy Act / AML	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

[Thank you for your participation!](#) Survey results will be published in the next issue of NAFCU's [Economic and CU Monitor](#).