



## Compliance eNewsletter

June 19, 2020 Vol. 14, Issue 24

### InfoSight News

#### New Video Resource added!

A new video has been added as a helpful resource in the **Back to Work Best Practices** topic in the COVID-19 - Coronavirus channel. It provides some great tips that may assist your credit unions as staff returns to the office. It was provided to us by CU Solutions Group and the Michigan Credit Union League.

### Compliance and Advocacy News & Highlights

#### CFPB issues CARES Act and Credit Reporting FAQs

The Consumer Financial Protection Bureau has released a Compliance Aid in the form of ten [Consumer Reporting FAQs Related to the CARES Act and COVID-19 Pandemic](#).

In addition to summarizing the Bureau's April 1, 2020, statement on supervisory and enforcement practices regarding the FCRA and Regulation V in light of the CARES Act, the FAQs address the credit reporting requirements of the CARES Act, including considerations for furnishers when reporting consumers as current as required by the CARES Act.

The FAQs also clarify that reporting that a consumer is affected by a natural or declared disaster is not a substitute for complying with the CARES Act credit reporting requirements. In addition, the FAQs address the Bureau's guidance that provides temporary and targeted flexibility in the event CRAs or the furnisher experiences challenges as a result of the pandemic in investigating consumer disputes.

*Source: CFPB*

#### OFAC Sanctions Nigerians in Scams Targeting US Victims

The Treasury Department [announced](#) on this week that OFAC, in an action coordinated with the Justice Department, took action against six Nigerian nationals for conducting an elaborate

scheme to steal over six million dollars from victims in the United States. The individuals designated have targeted U.S. businesses and individuals through deceptive global threats known as business email compromise (BEC) and romance fraud.

Tuesday's action includes the designation of six individuals conforming to Executive Order 13694, as amended by Executive Order 13757, which targets malicious cyber-enabled activities, including those related to the significant misappropriation of funds or economic resources for private financial gain.

As a result of Tuesday's action, all property and interests in property of the designated persons that are in the possession or control of U.S. persons or within or transiting the United States are blocked, and U.S. persons generally are prohibited from dealing with them.

*Source: OFAC*

---

## FTC COVID-19 complaint data expanded

The Federal Trade Commission is making more state-level information available to the public about the complaints it receives from consumers related to COVID-19, with reports about online shopping problems topping the list of complaints in most states. Under its expanded reporting, the FTC is now releasing the numbers of different types of fraud, Do Not Call, and other complaints received from consumers in each state. You can find national and state-level data on the FTC's new interactive COVID-19 complaint data dashboards on its [Explore Data](#) webpage.

*Source: FTC*

---

## HMDA Reporting if the Threshold Changes: FAQ from CUNA

**Question: How do I report HMDA data if my CU previously met the threshold for closed-end reporting but no longer does once the July 1, 2020 threshold change becomes effective?**

**Answer:** If your CU falls under the "newly excluded institution" discussed below, you want to pay close attention to how your institutions collection, recording, and reporting duties will change this year.

Institutions that originated fewer than 100 closed-end mortgage loans in either of the two preceding calendar years will not be subject to HMDA's requirements to collect data on closed-end mortgage loans after July 1, 2020. For calendar year 2021, an institution will not be required to collect HMDA data for closed-end mortgage loans if it originated fewer than 100 closed-end mortgage loans during either 2019 or 2020. In calendar year 2020, an institution could have been subject to HMDA's closed-end requirements as of January 1, 2020 because it originated at least 25 closed-end mortgage loans in 2018 and 2019 and meets all of the other requirements under the rule, but no longer be subject to HMDA's closed-end requirements as of July 1, 2020 (a newly excluded institution) because it originated fewer than 100 closed-end mortgage loans during 2018 or 2019. Here is how the 2020 HMDA Final Rule affects newly excluded institutions' collection, recording, and reporting obligations with respect to 2020 HMDA data:

- **Collection:** Newly excluded institutions can stop collecting HMDA data on their closed-end mortgage loans beginning on July 1, 2020. Note, though, that other laws or regulations may require collection of certain data on home loan activity. For example, Regulation B includes an independent requirement to collect information regarding the applicant's ethnicity, race, sex, marital status, and age where the credit sought is primarily for the purchase or refinancing of a dwelling that is or will be the applicant's principal residence and will secure the credit.
- **Recording:** Newly excluded institutions must still record closed-end data for the first quarter of 2020 on a loan/application register by 30 calendar days after the end of the first quarter. They will not, however, be required to record closed-end data for the second quarter of 2020 because the deadline for recording that data is after July 1, 2020.
- **Reporting:** Because newly excluded institutions collecting HMDA data in 2020 would not otherwise report those data until early 2021, the final rule relieves newly excluded institutions of the obligation to report by March 1, 2021 data collected in 2020 on closed-end mortgage loans (including data collected in 2020 before July 1, 2020). Under the final rule, a newly excluded institution may report voluntarily HMDA data on closed-end mortgage loans in 2021 as long as the institution reports data for the full calendar year 2020.

Source: CUNA

## Articles of Interest

- [SBA Issues PPP – Revisions to First Interim Final Rule](#)
- [SBA Issues PPP Interim Final rule on Additional Revisions to First Interim rule](#)
- [CFPB Issues New Resource on Fighting Elder Financial Fraud](#)
- [NCUA Letter to Credit Unions: Additional Guidance Regarding Servicing Hemp-Related Businesses](#)

## CUNA's Advocacy Resources:

- [This week in Washington](#)

## Compliance Calendar

- June 30th, 2020: **Supplementing Data Security Requirements (Effective Date)**
- July 1st, 2020: **Regulation C – Home Mortgage Disclosure Act (HMDA)**
- July 1st, 2020: **Regulation CC – Monetary Limit Threshold Changes**
- July 3rd, 2020: Independence Day - Federal Holiday
- July 21st, 2020: **Remittance Transfers (Regulation E)**