

Inf✔Sight Newsletter

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Highlights

Disasters don't wait.



September is National Preparedness Month!

It's critical for credit unions to have a blueprint for emergency preparedness.

RecoveryPr✔ can help!

Disruptions occur almost every day, so it's important to have solid plans and programs in place for the continuity of the credit union's business operations. We invite you to join us on October 6, at 1:00 PM EST, for a FREE educational webinar, **BCP 101**.

This session will familiarize you with the value of **Business Continuity Planning (BCP)** for your credit union, terminology related to BCP and disaster recovery, and the general BCP process including program and policy, validation and maintenance, incident response, preparation and planning, risk assessment, and access and distribution of the plan to staff, board and examiners.

BCP 101 is a great place to start for any credit union staff who will be involved in the planning or have a role in the execution of their BCP.

There will also be an opportunity to learn more about RecoveryPro, an online system which guides credit unions through the creation, maintenance, and testing of robust business continuity plans.

- [Click here to register for BCP 101](#)
- [Learn more about RecoveryPro](#)

Compliance and Advocacy News & Highlights

NCUA Releases Q2 2022 State-Level Credit Union Data Report

Federally insured credit unions experienced continued growth in assets, shares and deposits, and loans outstanding over the year ending in the second quarter of 2022, according to the latest [NCUA Quarterly U.S. Map Review](#), released today by the National Credit Union Administration.

Nationally, median asset growth over the year ending in the second quarter of 2022 was 4.2 percent, compared to 10.8 percent in the year ending in the second quarter of 2021. The median growth in shares and deposits over the year ending in the second quarter of 2022 was 4.8 percent, compared to 12.2 percent a year ago. The median growth rate of loans outstanding was 7.2 percent over the year ending in the second quarter of 2022, compared to 1.8 percent over the year ending in the second quarter of 2021.

Check out the [full article here](#).

Source: NCUA

CFPB Study Details the Rapid Growth of “Buy Now, Pay Later” Lending

the Consumer Financial Protection Bureau (CFPB) published a report offering key insights on the Buy Now, Pay Later industry. The report, [Buy Now, Pay Later: Market trends and consumer impacts](#), finds that industry grew rapidly during the pandemic, but borrowers may receive uneven disclosures and protections. The five firms surveyed in the report originated 180 million loans totaling over \$24 billion in 2021, a near tenfold increase from 2019.

“Buy Now, Pay Later is a rapidly growing type of loan that serves as a close substitute for credit cards,” said CFPB Director Rohit Chopra. “We will be working to ensure that borrowers have similar protections, regardless of whether they use a credit card or a Buy Now, Pay Later loan.”

Buy Now, Pay Later is a form of interest-free credit that allows a consumer to fully purchase a product, and then pay back the loan over four installments, with the first installment typically being a down payment on the purchase. Most Buy Now, Pay Later loans range from \$50 to \$1,000, and are subject to late fees if a borrower misses a payment.

Buy Now, Pay Later rose to prominence in the past decade as an alternative form of credit for online retail purchases. The lending option has gained traction with consumers who seek the flexibility of being able to pay for goods and services over time, but who may have been leery of other credit products.

Once a niche financial offering that was heavily concentrated in apparel and beauty, Buy Now, Pay Later has now branched out to industries as disparate as travel, pet care, and even groceries and gas. Apparel and beauty merchants, who had combined to account for 80.1% of originations in 2019, only accounted for 58.6% of originations in 2021.

For the full article, [click here](#).

Source: CFPB

FOM Modernization Bill Introduced in Senate

Sen. Alex Padilla, D-Calif., [introduced](#) the CUNA and League-led Expanding Financial Access for Underserved Communities Act. The bill—which represents the most significant modernization of the Federal Credit Union Act since 1998—[passed](#) the House in June as part of a larger legislative package.

“We thank Sen. Padilla for his leadership in helping credit unions bring safe and affordable financial services to under- and unbanked communities,” said CUNA President/CEO Jim Nussle. “The House has already passed this bill, and we look to continue to gather support in the Senate for this much-needed update to credit union fields of membership.”

The legislation would:

- Allow all federal credit unions to add underserved areas to their field of membership.
- Exempt business loans made in underserved areas from the member business lending cap.
- Expand the definition of an underserved area to include any area that is more than ten miles from the nearest financial institution branch.

More than 750 census tracts are financial deserts, and a net 7,800+ bank branches closed between January 2005 and March 2021, according to CUNA research. Credit unions opened more than 1,400 net credit union branches over the same time period.

Read the [article in detail here](#).

Source: CUNA

Articles of Interest:

- [CFPB releases 2023 HMDA FIG, 2023 Supplemental Guide and Quarterly Graphs](#)
- [FTC to Convene First Meeting of Scams Against Older Adults Advisory Group on Sept. 29](#)
- [Registration Opens for NCUA DEI and ACCESS Summit Nov. 2 – 4](#)

CUNA's Advocacy Resources:

- [Happenings in Washington \(Removing Barriers Blog\)](#)

WOCCU (World Council of Credit Unions Advocacy) Advocacy Resources:

- [Telegraph](#) – Current advocacy news world-wide.
- [Advocate Blog](#) – Check out recent updates!

Compliance Calendar

- **October 1st, 2022: CFPB – Facilitating the LIBOR Transition (Regulation Z)**
- **October 1st, 2022: CFPB – General Qualified Mortgage Loan Amendments**
- **October 10th, 2022: Columbus Day - Federal Holiday (also recognized: Indigenous Peoples' Day)**
- **November 11th, 2022: Veterans Day - Federal Holiday**