



InfoSight Newsletter

May 7, 2021 | Volume 15 | Issue 18

InfoSight News

Don't Keep it to Yourself!

This week's challenge:
Tell 5 colleagues about **InfoSight**

FAQs and checklists make my job easier!

The weekly newsletter is chock full of information

State specific compliance information is available for all 50 states!

InfoSight is a FREE resource for affiliated credit unions!

Compliance and Advocacy News & Highlights

Qualified Mortgage Changes

The CFPB has amended the mandatory compliance date of the new qualified mortgage rules from July 1, 2021 to October 1, 2022.

For applications received on or after March 1, 2021 (effective date) until October 1, 2022 (mandatory compliance date) credit unions have the option of complying with either the revised, price-based General QM loan definition or the original, DTI-based General QM loan definition for transactions.

Changes have been made to both CU PolicyPro and InfoSight to reflect the changes that became effective on March 1, 2021.

The CFPB has also created a few helpful resources to assist credit unions with compliance:

- [Executive Summary of Amendments to the ATR/QM Rule](#)
- [General Comparison of ATR Requirements with Qualified Mortgages](#)
- [Small Entity Compliance Guide – ATR and QM Rule](#)

Source: CFPB

CFPB Issues Consumer Complaint Bulletin

[The CFPB announced](#) it has issued a [Complaint Bulletin](#) with a county-level demographic overview of consumer complaints.

Among other key findings in this bulletin:

- From 2019 to 2020, consumer complaints increased across all demographic groups. Complaints increased at a greater rate in predominantly minority counties compared to predominantly white, non-Hispanic counties.
- Consumers living in predominantly minority counties submitted more complaints on a per capita basis in nearly every one of the 11 product categories about which the Bureau accepts complaints.
- Credit or consumer reporting appears to cause significantly more issues for consumers in predominantly minority counties.

The Bureau plans to enhance its complaint form to give consumers the option to provide household size and household income when submitting a complaint. It will also begin exploring what additional information it may need to help better understand the experiences of diverse communities that submit complaints.

Source: CFPB

NASCUS Offers a Cannabis & Hemp eSchool

The National Association of State Credit Union Supervisors (NASCUS) is pleased to offer a [Cannabis/Hemp eSchool](#), featuring guest speaker Deirdra O’Gorman Founder & Principal, DX Consulting.

Sessions will cover:

- Recent regulatory updates
- How businesses are evolving
- What financial institutions should be thinking about for their cannabis and hemp banking programs
- Business payments

Source: NASCUS

CFPB Action Against Reverse Mortgage Lender

The [Consumer Financial Protection Bureau announced](#) that it has taken action against Nationwide Equities Corporation for sending deceptive loan advertisements to hundreds of thousands of older borrowers. The Bureau found that advertisements from Nationwide Equities misled consumers concerning how much money they could receive from a reverse mortgage, the fees and costs associated with the products, and the consequences of nonpayment. The advertisements violated the Mortgage Acts and Practices Advertising Rule (MAP Rule), the Truth in Lending Act (TILA), and the Consumer Financial Protection Act of 2010 (CFPA). The CFPB is ordering the company to—

- pay a \$140,000 civil money penalty,
- cease its illegal conduct, and
- implement a compliance plan to affirmatively review every advertisement to ensure they do not violate federal law.

Source: CFPB

IRS Releases 7th EIP3 Batch

[The IRS has announced](#) it disbursed nearly 2 million payments in the seventh batch of Economic Impact Payments from the American Rescue Plan. In total, this batch included nearly 2 million payments with a value of more than \$4.3 billion.

- More than 1.2 million payments, with a value of over \$3 billion, went to eligible individuals for whom the IRS previously did not have information to issue an Economic Impact Payment but who recently filed a tax return.
- This batch also includes additional ongoing supplemental payments for people who earlier this year received payments based on their 2019 tax returns but are eligible for a new or larger payment

based on their recently processed 2020 tax returns. This batch included more than 730,000 of these "plus-up" payments, with a value of over \$1.3 billion.

- The batch includes about 1.1 million direct deposit payments (with a total value of \$2.5 billion) and about 850,000 paper check payments (with a total value of more than \$1.8 billion), with an official payment date of April 28.

Source: IRS

CFPB Responds to Claims of Mr. Cooper Unauthorized Withdrawals

CFPB Acting Director Dave Uejio has issued a statement (below) in response to apparent unauthorized withdrawals made by a mortgage servicer, **Nationstar Mortgage LLC, d/b/a Mr. Cooper**. Unauthorized duplicate-payment drafts by Mr. Cooper appear to have resulted in hundreds of thousands of consumers' bank accounts being debited for multiples of their mortgage payments. Affected consumers have reported being charged overdraft fees and likely suffered additional harm as a result of these unauthorized withdrawals.

"The CFPB is taking immediate action to understand and resolve the situation that has affected hundreds of thousands of consumers. The CFPB will use all appropriate tools at our disposal to help ensure harmed consumers receive relief. Consumers affected by the incident should monitor their accounts and may contact Mr. Cooper directly. Consumers can submit complaints to the CFPB at www.consumerfinance.gov or call toll-free at 855-411-2372."

National Mortgage News recently reported that Mr. Cooper was working on reversing unauthorized payment drafts from some of its borrowers' bank accounts. Mr. Cooper said in a blog post that "All duplicate transaction requests have been stopped. We are actively working with the banks involved and the payments vendor [where the errors reportedly originated] to correct the issue and prevent recurrence."

[Financial institutions holding deposit accounts affected by the apparent unauthorized transactions are likely to receive error claims under Regulation E, and must follow the requirements of the regulation in processing those claims. Part of their investigation of these claims should be checking to see if the duplicate debits have been reversed. Any bank-imposed fees (such as overdraft and return item fees) triggered by the duplicate debits will have to be reversed. - Editor]

Source: CFPB

Articles of Interest

- [Senate Bill Would Help Workers Build 401\(k\)s While Repaying Student Loans](#)
- [Bankers Ask NCUA to Withdraw Proposed CUSO Rules](#)
- [North Dakota Trade Groups Sue Federal Reserve Over Debit Card Fees](#)
- [DHS Announces Extension of REAL ID Full Enforcement Deadline](#)
- [Despite State's Population Decline, Michigan Credit Unions Tout Membership Gains](#)

CUNA's Advocacy Resources:

- [Happenings in Washington](#)

WOCCU Advocacy Resources:

- [Telegraph](#) – the most recent newsletter on current advocacy issues
- [Advocate Blog](#) – International advocacy trends and issues

Compliance Calendar

- May 31st, 2021: Memorial Day - Federal Holiday
- June 30th, 2021: **NACHA – Limitation on Warranty Claims**
- June 30th, 2021: **NACHA – Reversals**
- July 5th, 2021: Independence Day - Federal Holiday (observed)
- September 6th, 2021: Labor Day - Federal Holiday

Purely Michigan



Suka and baby Astra – the Detroit Zoo

MCUL Events & Training for 2021!

- [Virtual CU Supervisory Series](#) (May 11 & 18)
- [Life Hack Your Marketing Department Webinar](#) (May 12)
- [Virtual CU Directors Conference](#) (May 12 & 13)
- [CUSG GRC Virtual Forum](#) (May 12, 19 & 26)
- [Fair Lending Regulations and Examinations](#) (July 13) **NEW!**
- [Virtual Supervisor Bootcamp](#) (July 13 & 14) **NEW!**

MI Compliance and Advocacy News

Compliance Network

Our team is working to bring you the next Compliance Network Meeting in **June 2021**. Our exciting meeting topic will be... (drum roll, please!) ... **Cannabis Banking**. We have enlisted *Green Check Verified* to speak at the meeting. They are leading experts that can offer guidance on how to successfully bank cannabis. Don't worry - this will not be a sales pitch. GCV are great educators that can provide significant insight into this growing (😊) industry and how we can better serve it. *Stay tuned for more details!* For more information regarding the Compliance Network contact [Tanis Campbell](#) today!

GRC Virtual Forum – Spaces Still Available!



Don't miss it! There are a few spots available for the Governance Risk Compliance Virtual Forum – it's not too late to register! The GRC Virtual Forum kicks off in just two weeks. [Check out the great topics and register today!](#)

Have a compliance question? Be sure to email the Helpline at: ComplianceHelpline@mcu.org and [here's a reminder of the compliance resources](#) available to you!

MI Advocacy Update

In the [April MCUL Priority Report](#), learn what the MCUL Advocacy focus has been, and view a special edition of [Friday Five W/Dave Adams](#) where he shares some exciting news that includes his special guest, Patty Corkery.

Newsletter Sign Up

If this newsletter was forwarded to you and you'd like your own emailed copy, please contact Kathryn.Hall@mcu.org