



# InfoSight Newsletter

June 4, 2021 | Volume 15 | Issue 22

## Highlights

**June is Pride Month**

**League InfoSight is proud to support the LGBTQ+ members of the credit union community as we commit to creating a more diverse, inclusive and accepting society**

**LeagueInfoSight**

It's June which means it is officially Pride Month! League InfoSight is proud to stand in solidarity with the LGBTQ+ community 365 days a year!

## Compliance and Advocacy News & Highlights

### Administration Proposes Expanded Reporting to IRS

The Treasury Department has released the [Biden Administration's Budget](#) (the "Greenbook") for Fiscal Year 2022. Included in a section on improving taxpayer compliance is a proposal to introduce Comprehensive Financial Account Reporting by financial institutions, which would, starting in 2023, apply to all business and personal accounts at financial institutions, including deposit accounts, loans and investment accounts. A \$600 de minimis gross inflow threshold would apply to reporting, and Treasury would have broad authority to issue regulations for the proposed requirements.

Also included in this proposed budget is increased funding to several credit union priorities:

- The proposal allocates \$330 million for the Treasury's Community Development Financial Institutions (CDFI) Fund, up from \$270 million in the previous year.
- The CDFI Fund makes capital grants, equity investments and awards for technical assistance to CDFIs for community development initiatives such as small businesses, community facilities, and low-income housing.
- NCUA's Community Development Revolving Loan Fund (CDRLF) is funded at \$2 million, up from \$1.5 million last year.
- The CDRLF assists credit unions serving low-income communities to provide financial services, stimulate economic activities and operate more efficiently.
- It also includes \$18.5 million for the U.S. Agency for International Development's Cooperative Development Fund, the same amount as last year.

*Source: Treasury Department*

### FinCEN Innovation Hours Program on Privacy Enhancing Technologies

The Financial Crimes Enforcement Network (FinCEN) has [announced it will host a special virtual FinCEN Innovation Hours Program](#) on September 9, 2021, focusing on the important role of privacy-preserving principles in developing technical solutions that enhance financial services innovation while countering illicit activity and national security risks that undermine the integrity and opportunity of the U.S. financial system. FinCEN encourages participation by companies developing solutions to privacy issues, such as homomorphic encryption, zero-knowledge proofs, and other technology that balances privacy and financial integrity. This could include fintech companies, regtech companies, venture capital firms, and financial institutions.

"This program is an example of FinCEN's ongoing dedication to advancing the integrity and innovative strength of the U.S. financial system, which includes balancing transparency and accountability with the important principles of privacy and security," said Acting Director Michael Mosier. "We support responsible innovation, especially that which promotes the resilience and safety of our financial system and the American people."

Source: FinCEN

## Yellen Asks Congress for Project Funding

In [testimony](#) before the House Subcommittee on Financial Services and General Government Committee on Appropriations, Treasury Secretary Yellen pointed to sections of the administration's formal budget where funding is needed.

- FinCEN has been tasked with building a database that collects and secures beneficial ownership information, but Congress has not yet provided any funding to do it.
- Congress has dramatically expanded funding for Community Development Financial Institutions with supplemental appropriations. However, it is challenging for the CDFI Fund to distribute greater resources and scale these programs without additional administrative funding.
- The IRS needs additional resources to augment its auditing staff to ensure taxpayer compliance.

Source: Fox Business

## EIP3 Payments Continue

[The IRS has reported](#) it disbursed more than 1.8 million additional Economic Impact Payments under the American Rescue Plan in the past two weeks, with the assistance of the Treasury Department and the Bureau of the Fiscal Service. That brings the total disbursed thus far to nearly 167 million payments with a total value of about \$391 billion, since March 17.

Source: IRS

## ICE Extends COVID-19 Form I-9 Guidance

The U.S. Immigration and Customs Enforcement (ICE) has [announced](#) an extension of the flexibilities in rules related to Form I-9 compliance that was initially granted last year. Due to the continued precautions related to COVID-19, the Department of Homeland Security (DHS) will extend this policy until August 31, 2021.

The current extension includes guidance for employees hired on or after June 1, 2021 and work exclusively in a remote setting due to COVID-19-related precautions. Those employees are temporarily exempt from the physical inspection requirements associated with the Employment Eligibility Verification (Form I-9) until they undertake non-remote employment on a regular, consistent, or predictable basis, or the extension of the flexibilities related to such requirements is terminated, whichever is earlier.

Source: IRS

## Articles of Interest

- [The End is Nigh for Libor](#)
- [NASCUS Report: May 28, 2021](#)
- [Manufactured Housing Loan Borrowers Face Higher Interest Rates, Risks, and Barriers to Credit, New CFPB Report Finds](#)
- [NCUA Chairman Harper Urges Congress to Increase Appropriations to CDRLF](#)
- [More Money Is Coming to Families...And Scammers Are Ready](#)

## 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

- 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



Michigan Trillium

## MCUL Events & Training for 2021!

- [MCUL CU PolicyPro Training on Revamped System!](#) (June 18, 9am - 11am) **NEW!!**
- [Fair Lending Regulations and Examinations](#) (July 13)
- [Virtual Supervisor Bootcamp](#) (July 13 & 14)
- [Fall Leadership Development Conference](#), Traverse City (Sept. 17-19)



Registration is **NOW OPEN** for the [Annual Convention & Exposition](#), Traverse City (Aug. 22-25)

## 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 **Cannabis Banking**. *Stay tuned for more details!* For more information regarding the Compliance Network contact [Tanis Campbell](#) today!

### Question and Answer from the Compliance Helpline: Separated Spouses and Equity Loans

**Question:** We have a member who is legally married but has been separated from her husband for over 10 years. The wife bought and owns the home, and it is deeded in her name alone. She wants to do an equity loan on the home. Does the husband have to be involved in any way with this mortgage process because they are still legally married? And - would it matter if it were the other way around – where the husband owned the property solely in his name and he wanted to do an equity loan on it? Would the wife need to sign the mortgage paperwork?

**Answer:** Although dower rights in Michigan were abolished in 2017, there are still homestead implications according to [MCL 600.6023](#) which applies to both the husband and the wife. You will want to read more about this topic on [InfoSight's Dower and Homestead Channel](#). We always recommend seeking the advice of legal counsel in this situation given the complexity.

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

### CU PolicyPro Training for MI Credit Unions

League InfoSight is offering CU PolicyPro training specifically for the MI credit unions on **June 18 from 9:00am – 11:00am**. This training will introduce users to the revamped system following the recent migration to the new platform, and [registration is required to attend](#). Sign up today!

## Newsletter Sign Up

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

