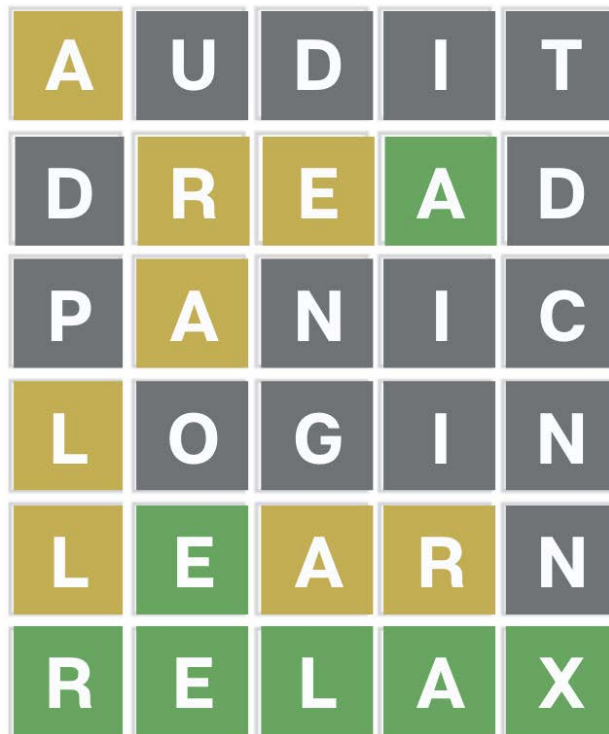




InfoSight Newsletter

February 18, 2022 | Volume 16 | Issue 7

Highlights



Find the information you need on the first try.



Don't spend your time guessing! InfoSight provides immediate access to current compliance topics which help you easily understand the issue, how it affects your credit union, and what your credit union needs to do. Written in laymen's terms, the topics in InfoSight provide quick access to straightforward

information for the compliance team, front line staff, HR, Loan Officers, Board & Volunteers, Executive Staff, Marketing, Collections, and more!

Education Training & Events

- [Marketing Masters Virtual Conference \(March 3,10,17, 24 and 31\)](#)
- **Registration open!** [IRA: Essentials and Advanced Virtual Workshop \(April 6-7\)](#)
- **Registration open!** [Spring Leadership Development Conference \(April 22-24\)](#)

[2022 Education & Events Schedule](#) (PDF)

Compliance and Advocacy News & Highlights

NEW and UPDATED Content in the Investment Channel

A new topic, **Subordinated Debt**, has been added to the Investment channel in response to the NCUA's subordinated debt rule which became effective on January 1, 2022. This new rule allows certain low-income designated credit unions, complex credit unions and new credit unions to issue subordinated debt for purposes of regulatory capital treatment. New InfoSight content was created to provide an overview of the requirements for credit unions.

FinCEN: Beneficial Ownership Reporting and Next Steps

Recently, [FinCEN issued a Statement Regarding Beneficial Ownership Information Reporting and Next Steps](#), noting that the comment period for the [FinCEN December 8, 2021, notice of proposed rulemaking](#) requiring the reporting of beneficial ownership information (BOI) has closed. FinCEN received over 230 comments.

The Reporting NPRM is the first in a series of rulemakings that FinCEN will issue to implement the Corporate Transparency Act (CTA). The next step in the CTA rulemaking series will be FinCEN's publication of proposed rules on BOI access and disclosure requirements (the "Access NPRM"), which FinCEN anticipates publishing later this year.

Some commenters requested the opportunity to submit, supplement, or amend, their comments on the Reporting NPRM after having the opportunity to review the Access NPRM. FinCEN is considering these requests. FinCEN anticipates that the dates of any reopened comment period would be published in the *Federal Register* in conjunction with the Access NPRM.

FinCEN said it appreciates the many comments on the Reporting NPRM that have already been submitted. FinCEN strongly encourages all interested parties, including those that may be affected by the proposed beneficial ownership information reporting rule, to review the Access NPRM once issued and to submit written comments.

Source: FinCEN

Consumers Getting Runaround from NCRAs

[The CFPB has published another blog article](#) in its campaign to make consumers aware of a [CFPB report](#) that the nationwide consumer reporting agencies (NCRAs), including the Big Three—Experian, Equifax, and TransUnion—are failing to substantively respond to most consumer complaints filed with the Bureau and harming consumers and businesses in the process.

The article says that NCRAs play an outsized role in Americans' economic lives. The companies cover more than 1.6 billion credit accounts for over 200 million adults every month. But inaccurate reports from those companies can inflate the cost of credit and severely limit opportunities for Americans looking to buy their first home, start a small business, or even reenter the workforce. The report revealed that the NCRAs have largely relied on vague, unhelpful form letters in response to consumer complaints filed with the CFPB. This practice, which surged in 2020, left families and communities vulnerable at the height of an unprecedented global pandemic and economic crisis, all while the NCRAs made more than a billion dollars in profits selling consumer data.

Source: CFPB

FinCEN Program Aids in Recovery of Over \$1.1B In Losses

[FinCEN announced](#) it has issued a [Fact Sheet](#) on its Rapid Response Program (RRP)—a collaborative partnership that leverages FinCEN's relationships with law enforcement, U.S. financial institutions, and foreign financial intelligence units to help victims and their financial institutions recover funds stolen as the result of certain cyber-enabled financial crimes schemes, including business e-mail compromise. Through the collaborative efforts of the RRP, FinCEN has successfully assisted in the recovery of over \$1.1 billion.

The fact sheet provides information on the program and emphasizes that victims of cyber-enabled crimes, or victims' financial institutions must file a complaint with law enforcement (not directly with FinCEN) to initiate the RRP process. It also includes the types of information that should be provided to law enforcement at the time of filing a complaint.

While FinCEN does not ensure the recovery of stolen funds, the RRP has had greater success in recovering funds when victims or financial institutions report fraudulently induced wire transfers to law enforcement within 72 hours of the transaction.

Source: FinCEN

CFPB Shares Info on Homeowners Assistance Fund

[The CFPB has posted a blog article](#) about the [Homeowners Assistance Fund](#), which was established by the American Rescue Plan Act to help homeowners financially impacted by COVID-19 with housing-related costs. This federal assistance program provides money to states, Tribes, territories, and the District of Columbia and can provide financial assistance for mortgage payments (including past due payments), and, depending on the program, may also be used for homeowners insurance, utility bills, property taxes, homeowners association fees, certain home repairs, and other specified housing costs.

Source: CFPB

Nacha Adopts Rule for Micro-Entries

Nacha has adopted a rule, effective in stages on September 16, 2022, and March 17, 2023, designed to standardize the use of micro-entries as tools for account verification. [In a recent press release](#), Nacha is encouraging Originators to adopt the rule earlier than required. Under the rule, micro-entries will be defined as ACH credits of less than \$1, and any offsetting debits, used for account verification. The debit entries are not required (most originators using micro-entries use them), but if used, they must settle at the same time as the micro-credits they offset.

By September 16, 2022, the definition of Micro-Entries will take effect and "ACCTVERIFY" must appear in the company entry description field. The company name in the Micro-Entry will have to be the same as, or similar to, what consumers will see on future ACH entries from that company. Phase two of the rule's implementation, effective on March 17, 2023, will require Micro-Entry Originators to use commercially reasonable fraud detection, including volume monitoring.

Source: Nacha

Articles of Interest:

- [Current Geopolitical Events Increase Likelihood of Cyberattacks](#)
- [FinCEN Program Aids in Recovery of Over \\$1.1B in Losses](#)
- [Synthetic Identity Fraud Information and Toolkit](#)
- [CFPB Takes Action to Halt Prepaid Card Providers Siphoning Government Benefits](#)

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

- February 21st, 2022: **President's Day - Federal Holiday**
- March 31st, 2022: **CFPB – Credit Card Agreement and Data Submission Requirements: First College Credit Card Marketing Agreements and Data Using "Collect"**
- April 1st, 2022: **NCUA CAMELS Rating System**
- April 1st, 2022: **CFPB – Facilitating the LIBOR Transition (Regulation Z)**
- May 30th, 2022: **Memorial Day - Federal Holiday**
- June 20th, 2022: **Juneteenth National Independence Day - Federal Holiday (observed)**

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