

RKL REGULATORY COMPLIANCE FOR FINANCIAL INSTITUTIONS >

January 2021

National Credit Union Administration (NCUA) issues final rule on Fees Paid By Credit Unions

December 31 , 2020

- The NCUA Board (Board) is amending its regulation governing assessment of an annual operating fee to Federal credit unions (FCUs).
- First, for purposes of calculating the annual operating fee, the final rule amends the current rule to exclude from total assets any loan an FCU reports under the Small Business Administration's Paycheck Protection Program (PPP) or similar future programs approved for exclusion by the NCUA Board.
- Second, the final rule deletes from the current regulation references to the Credit Union System Investment Program and the Credit Union Homeowners Affordability Relief Program, both of which no longer exist.
- Third, the final rule amends the period used for the calculation of an FCU's total assets. Currently, total assets are calculated using the FCU's December 31st Call Report of the preceding year. Under the final rule, total assets will be calculated as the average total assets reported on the FCU's previous four Call Reports available at the time the NCUA Board approves the agency's budget for the upcoming year, adjusted for any excludable programs as determined by the Board. Finally, the final rule makes some minor technical changes.
- Effective February 1, 2021

[Additional Information](#)

Federal Reserve Board and Federal Deposit Insurance Corporation Joint Final Rule amending Community Reinvestment Act asset-size thresholds

December 23 , 2020

- Beginning January 1, 2021, banks that, as of December 31 of either of the prior two calendar years, had assets of less than \$1.322 billion are small banks. Small banks with assets of at least \$330 million as of December 31 of both of the prior two calendar years and less than \$1.322 billion as of December 31 of either of the prior two calendar years are intermediate small banks.
- Effective January 1, 2021

[Additional Information](#)

Office of the Comptroller of the Currency (OCC) Final Rule on Activities and Operations of National Banks and Federal Savings Associations

December 22 , 2020

- The OCC is issuing a final rule to revise and reorganize its regulations relating to the activities and operations of national banks and federal savings associations and to amend its rules relating federal savings association corporate governance.
- This rule clarifies and codifies recent OCC interpretations, integrates certain regulations for national banks and federal savings associations and updates or eliminates outdated regulatory requirements that no longer reflect the modern financial system.
- Additionally, this rule includes related technical changes throughout these and other OCC regulations.
- Effective April 1, 2021

[Additional Information](#)

CFPB Adjustment to Home Mortgage Disclosures (Regulation C) Asset Size Exemption Threshold

December 22 , 2020

- The Bureau of Consumer Financial Protection (Bureau) is amending the official commentary that interprets the requirements of the Bureau's Regulation C (Home Mortgage Disclosure) to reflect the asset-size exemption threshold for banks, savings associations, and credit unions based on the annual percentage change in the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).
- Based on the 1.3 percent increase in the average of the CPI-W for the 12-month period ending in November 2020, the exemption threshold is adjusted to \$48 million from \$47 million. Therefore, banks, savings associations and credit unions with assets of \$48 million or less as of December 31, 2020 are exempt from collecting data in 2021.
- Effective January 1, 2021

[Additional Information](#)

CFPB Advisory Opinion on Special Purpose Credit Programs

December 21 , 2020

- The Bureau is issuing this Advisory Opinion (AO) to address regulatory uncertainty regarding Regulation B, which implements the Equal Credit Opportunity Act, as it applies to certain aspects of special purpose credit programs designed and implemented by for-profit organizations to meet special social needs.
- Specifically, this AO clarifies the content that a for-profit organization must include in a written plan that establishes and administers a special purpose credit program under Regulation B. In addition, this AO clarifies the type of research and data that may be appropriate to inform a for-profit organization's determination that a special purpose credit program is needed to benefit a certain class of persons.

[Additional Information](#)

CFPB Final Rule Amending Regulation F, which implements the Fair Debt Collection Practices Act (FDCPA)

December 18 , 2020

- This rule amends Regulation F, 12 CFR part 1006, which implements the Fair Debt Collection Practices Act (FDCPA), to prescribe federal rules governing certain activities of debt collectors, as that term is defined in the FDCPA.
- The final rule, among other things, clarifies the information that a debt collector must provide to a consumer at the outset of debt collection communications and provides a model notice containing such information, prohibits debt collectors from bringing or threatening to bring a legal action against a consumer to collect a time-barred debt, and requires debt collectors to take certain actions before furnishing information about a consumer's debt to a consumer reporting agency.
- Effective November 30, 2021

[Additional Information](#)

Board of Governors of the Federal Reserve System Amends Reserve Requirements of Depository Institutions

December 11, 2020

- The Board is amending Regulation D, Reserve Requirements of Depository Institutions, to reflect the annual indexing of the reserve requirement exemption amount and the low reserve tranche for 2021. The annual indexation of these amounts is required notwithstanding the Board's action in March 2020 setting all reserve requirement ratios to zero.
- The Regulation D amendments set the reserve requirement exemption amount for 2021 at \$21.1 million of reservable liabilities (up from \$16.9 million in 2020). The Regulation D amendments also set the amount of net transaction accounts at each depository institution (over the reserve requirement exemption amount) that could be subject to a reserve requirement ratio of not more than 3 percent (and which may be zero) in 2021 at \$182.9 million (up from \$127.5 million in 2020). This amount is known as the low reserve tranche. The adjustments to both of these amounts are derived using statutory formulas specified in the Federal Reserve Act.
- The annual indexation of the reserve requirement exemption amount and low reserve tranche, though required by statute, will not affect depository institutions' reserve requirements, which will remain zero. The Board is also announcing changes in two other amounts, the nonexempt deposit cutoff level and the reduced reporting limit, that are used to determine the frequency at which depository institutions must submit deposit reports.
- Effective January 11, 2021

[Additional Information](#)

OCC Bulletin 2020-107: Temporary Asset Thresholds – Interim Final Rule

December 2, 2020

- On December 2, 2020, the Office of the Comptroller of the Currency (OCC), together with the Board of Governors of the Federal Reserve System (Board) and the Federal Deposit Insurance Corporation (collectively, the agencies), issued an interim final rule to temporarily mitigate transition costs related to the coronavirus (also known as COVID-19) pandemic on community banking organizations, including national banks and federal savings associations, with less than \$10 billion in total assets as of December 31, 2019.
- The rule allows these organizations to use asset data as of December 31, 2019, to determine the applicability of various regulatory asset thresholds during calendar years 2020 and 2021. The OCC also intends to provide similar flexibility to community banking organizations crossing other thresholds in OCC regulations that are not specifically addressed in this rule.
- Note for community banks: This rule applies to community banks with total assets of less than \$10 billion as of December 31, 2019.
- Effective January 1, 2021

[Additional Information](#)

NCUA Amends its Investment Regulation to Permit Purchases of Mortgage Servicing Rights

December 31, 2020

- The NCUA Board (Board) proposes to amend its investment regulation to permit federal credit unions (FCUs) to purchase mortgage servicing rights from other federally insured credit unions under certain conditions.
- Under the proposed rule, eligible FCUs may purchase the mortgage servicing rights of loans that the FCU is otherwise empowered to grant, provided these investments are consistent with safety and soundness and made in accordance with the FCU's policies and procedures that address the risk of these investments and servicing practices.
- Comments due by February 1, 2021

[Additional Information](#)

Financial Crimes Enforcement Network (FinCEN) Requirements for Certain Transactions Involving Convertible Virtual Currency or Digital Assets

December 23, 2020

- FinCEN is issuing this notice of proposed rulemaking to seek public comments on a proposal to require banks and money service businesses (MSBs) to submit reports, keep records and verify the identity of customers in relation to transactions involving convertible virtual currency.
- Comments due by January 4, 2021

[Additional Information](#)

U.S. Small Business Administration Regulatory Reform Initiative: Streamlining and Modernizing the 7(a) Microloan and 504 Loan Programs

December 14, 2020

- The Small Business Administration (SBA) is proposing to remove or revise various regulations affecting its business loan programs because these regulations are obsolete, unnecessary, ineffective, or burdensome. In addition, one of the regulations that SBA is proposing to remove is cross-referenced in a regulation in SBA's Disaster Loan Program; SBA is proposing to make a conforming change to that regulation.
- SBA also is making several technical amendments to the regulations to incorporate recent statutory changes and other non-substantive changes. These changes are being proposed to carry out the mandate in various Executive Orders to reduce the number and costs of the regulations that Federal agencies impose on the public.
- Comments due by February 12, 2021

[Additional Information](#)

CFPB Publishes Fall 2020 Regulatory Agenda

December 15, 2020

- The Bureau published its Fall 2020 regulatory agenda on matters the CFPB “reasonably anticipates having under consideration during the period from November 2020 to November 2021.”
- The agenda covers the following (not an exhaustive list):
 - Business Lending Rule (Reg B)
 - Home Mortgage Disclosure Act (Reg C)
 - FIRREA (AVMs)
 - Mortgage Servicing Rules
 - HPML Escrow Exemption
- The Bureau’s long-term agenda includes (not an exhaustive list):
 - Abusive Acts and Practices
 - Loan Originator Compensation

[Additional Information](#)

CFPB Issues Final Report of the Small Business Review Panel

December 14, 2020

- This Panel Report addresses the Bureau's small business lending data collection rulemaking.
- The Bureau is in the process of writing proposed regulations to implement section 1071 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Section 1071 of the law amended the Equal Credit Opportunity Act (ECOA) to require financial institutions to compile, maintain, and submit to the Bureau certain data on applications for credit for women-owned, minority-owned and small businesses.
- On September 15, 2020, the Bureau issued its Outline of Proposals under Consideration and Alternatives Considered for this rulemaking.

[Additional Information](#)

COMPLIANCE CALENDAR

Effective Date	Implementing Rule/Regulation	Additional Details
December 28, 2019	Taxpayer First Act	<ul style="list-style-type: none"> • Rule
January 1, 2020	Simplify “Volcker Rule”	<ul style="list-style-type: none"> • Rule
January 1, 2020	CRA Asset Size Adjustment for Small and Intermediate Small Institutions	<ul style="list-style-type: none"> • Rule
January 1, 2020	HMDA Adjustment to Asset Size Exemption Threshold	<ul style="list-style-type: none"> • Rule
July 1, 2020	Final Amendments to Reg. CC Funds Availability	<ul style="list-style-type: none"> • Rule
November 1, 2020	New URLA Required Use – POSTPONED DUE TO COVID-19	<ul style="list-style-type: none"> • Issuance
November 19, 2020	Payday, Vehicle Title, and Certain High-Cost Installment Loans; Delay of Compliance Date	<ul style="list-style-type: none"> • Issuance
January 1, 2021	Truth in Lending (Regulation Z) Annual Threshold Adjustments (Credit Cards, HOEPA and Qualified Mortgages)	<ul style="list-style-type: none"> • Rule
January 1, 2021	CRA Asset Size Adjustment for Small and Intermediate Small Institutions	<ul style="list-style-type: none"> • Rule
January 1, 2021	HMDA Adjustment to Asset Size Exemption Threshold	<ul style="list-style-type: none"> • Rule
March 1, 2021	New URLA Required Use	<ul style="list-style-type: none"> • Issuance
January 1, 2022	Reg C Final rule establishing 200 loans as the permanent HMDA data reporting threshold for open-end lines of credit	<ul style="list-style-type: none"> • Rule



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