

RKL REGULATORY COMPLIANCE FOR FINANCIAL INSTITUTIONS >

February 2021

Financial Crimes Enforcement Network (FinCEN) – Inflation Adjustment of Civil Monetary Penalties

January 28, 2021

- FinCEN publishes this final rule to reflect inflation adjustments to its civil monetary penalties (CMPs) as mandated by the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended. This rule adjusts certain CMPs within the jurisdiction of FinCEN to the maximum amount required by that act.
- Effective January 28, 2021

[Additional Information](#)

FDIC Rule on Unsafe and Unsound Banking Practices: Brokered Deposits and Interest Rate Restrictions

January 22, 2021

- The FDIC is finalizing revisions to its regulations relating to the brokered deposits and interest rate restrictions that apply to less than well capitalized insured depository institutions.
- For brokered deposits, the final rule establishes a new framework for analyzing certain provisions of the “deposit broker” definition, including “facilitating” and “primary purpose.”
- For the interest rate restrictions, the FDIC is amending its methodology for calculating the national rate, the national rate cap and the local market rate cap.
- Further, the FDIC is explaining when non-maturity deposits are accepted and when non-maturity deposits are solicited for purposes of applying the brokered deposits and interest rate restrictions.
- Effective April 1, 2021, with an extended compliance date of January 1, 2022

[Additional Information](#)

Bureau of Consumer Financial Protection (CFPB) Final Rule Amending Debt Collection Practices (Regulation F)

January 19, 2020

- The CFPB is issuing this final rule to revise Regulation F, which implements the Fair Debt Collection Practices Act (FDCPA). The final rule governs certain activities by debt collectors, as that term is defined in the FDCPA.
- Among other things, the final rule clarifies the information that a debt collector must provide to a consumer at the outset of debt collection communications, 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](#)

Agricultural Marketing Service, Department of Agriculture (USDA) Issues Final Rule to Establish a Domestic Hemp Production Program

January 19, 2020

- This final rule supersedes the interim final rule that established the Domestic Hemp Production Program, as mandated by the Agriculture Improvement Act of 2018 (2018 Farm Bill).
- This rule includes regulations used by USDA to approve plans submitted by states and Indian Tribes for the domestic production of hemp.
- This rule also includes regulations on the federal hemp production plan for producers in states or territories of Indian Tribes that do not have their own USDA-approved plans.
- The program provides requirements for maintaining records about the land where hemp is produced, testing the levels of total delta-9 tetrahydrocannabinol, disposing of non-compliant plants, licensing hemp producers, and ensuring compliance under the new program.
- Effective March 22, 2021

[Additional Information](#)

CFPB Final Rule on Higher-Priced Mortgage Loan Escrow Exemption (Regulation Z)

January 19, 2020

- The CFPB is issuing this final rule to amend Regulation Z, which implements the Truth in Lending Act, as mandated by section 108 of the Economic Growth, Regulatory Relief, and Consumer Protection Act.
- The amendments exempt certain insured depository institutions and insured credit unions from the requirement to establish escrow accounts for certain higher-priced mortgage loans.
- New § 1026.35(b)(2)(vi) exempts from the Regulation Z HPML escrow requirement any loan made by an insured depository institution or insured credit union and secured by a first lien on the principal dwelling of a consumer if: (1) the institution has assets of \$10 billion or less; (2) the institution and its affiliates originated 1,000 or fewer loans secured by a first lien on a principal dwelling during the preceding calendar year; and (3) certain of the existing HPML escrow exemption criteria are met, as described below in part V.
- Effective the date this rule is published in the Federal Register

[Additional Information](#)

CFPB Final Rule on Role of Supervisory Guidance

January 19, 2020

- Unlike a law or regulation, supervisory guidance does not have the force and effect of law and CFPB does not take enforcement actions or issue supervisory criticisms based on non-compliance with supervisory guidance. Rather, supervisory guidance outlines supervisory expectations and priorities, or articulates views regarding appropriate practices for a given subject area.
- In contrast to supervisory guidance, regulations do have the force and effect of law and enforcement actions can be taken if regulated institutions are in violation. Regulations are also generally required to go through the notice and comment process.
- The CFPB collaborated closely with other federal financial regulatory agencies in this rulemaking, including by issuing a joint proposal for public comment.

[Additional Information](#)

U.S. Small Business Administration Issues Interim Final Rule Making Temporary Changes to the Paycheck Protection Program

January 12, 2021

- This interim final rule is intended to govern new PPP loans made under the Economic Aid Act, as well as applications for loan forgiveness on existing PPP loans where the loan forgiveness payment has not been remitted. It should not be construed to alter or affect the requirements applicable to PPP loans closed prior to its enactment, unless the provisions apply retroactively consistent with specific applicability provisions of the Economic Aid Act as identified in this rule.
- In addition, in this interim final rule, Treasury exercises its authority under section 1109 of the CARES Act to allow borrowers of first draw PPP loans to use 2019 or 2020 to calculate their maximum loan amount.
- Effective January 12, 2021

[Additional Information](#)

FDIC's Final Rule on the Collection of Civil Money Penalty Debt

January 11, 2021

- The FDIC is amending the Procedures for Corporate Debt Collection to include delinquent civil money penalties within the debt covered by those procedures in accordance with the DCIA, to add the collection of civil money penalty (CMP) debt to the FDIC's existing debt-collection regulations found in [12 CFR part 313](#). Part 313 does not currently provide for collection of CMP debt.
- The amendments would allow the FDIC to refer debts arising from its enforcement-related activities to Treasury for collection, thereby improving the effectiveness of the FDIC's debt-collection efforts.
- Effective February 10, 2021

[Additional Information](#)

FDIC Proposed Rule on Exemptions to Suspicious Activity Report Requirements

January 22, 2020

- The FDIC is inviting comment on a proposed rule that would modify the requirements for FDIC-supervised institutions to file Suspicious Activity Reports (SARs).
- The proposed rule would amend the FDIC's SAR regulation to allow the FDIC to issue exemptions from the SAR requirements.
- The proposed rule would make it possible for the FDIC to grant relief to FDIC-supervised institutions that develop innovative solutions to meet Bank Secrecy Act (BSA) requirements more efficiently and effectively.
- Both the OCC and NCUA issued similar proposed rules on the same date.
- Comments due by February 22, 2021

[Additional Information](#)

National Credit Union Association Board Proposes Rule to Amend its Credit Union Service Organization (CUSO) Regulation

January 14, 2021

- The proposed rule would accomplish two objectives: (1) expanding the list of permissible activities and services for CUSOs to include originating any type of loan that a federal credit union (FCU) may originate; and (2) granting the Board additional flexibility to approve permissible activities and services.
- The NCUA is also seeking comment on broadening FCU investment authority in CUSOs.
- Comments due 30 days after publication in the Federal Register

[Additional Information](#)

Answers to Frequently Asked Questions Regarding Suspicious Activity Reporting and Other Anti-Money Laundering Considerations

January 19, 2021

- The Financial Crimes Enforcement Network (FinCEN), jointly with the Board of Governors of the Federal Reserve System (Federal Reserve), the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA), and the Office of the Comptroller of the Currency (OCC) (collectively, the Federal banking agencies), and in consultation with the staff of certain other federal functional regulators, is issuing answers to frequently asked questions (FAQs) regarding suspicious activity reports (SARs) and other anti-money laundering (AML) considerations for financial institutions covered by SAR rules
- The answers to these FAQs clarify the regulatory requirements related to SARs to assist such financial institutions with their compliance obligations, while enabling financial institutions to focus resources on activities that produce the greatest value to law enforcement agencies and other government users of Bank Secrecy Act (BSA) reporting.

[Additional Information](#)

Consumer Financial Protection Bureau and National Credit Union Administration Sign Memorandum of Understanding

MOU Underscores CFPB and NCUA Commitment to Consumer Protection

January 14, 2021

- The CFPB and NCUA announced a Memorandum of Understanding (MOU) agreement to improve coordination between the agencies related to the consumer protection supervision of credit unions over \$10 billion dollars in assets.
- Under this MOU, CFPB and NCUA will pursue opportunities to proactively and efficiently share supervisory information, including drafts of Covered Reports of Examination and final Reports of Examination for credit unions over \$10 billion dollars in assets, using secure, two-way electronic means.
- CFPB and NCUA will jointly collaborate in semi-annual strategy planning sessions to identify and address areas of alignment and coordination in examinations for covered institutions.
- The MOU will better facilitate coordinated examinations to reduce redundancy and unnecessary overlap. CFPB and NCUA will also share information on training activities and content.
- Finally, the MOU will permit both agencies to share information related to supervisory activities and potential enforcement actions.

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
November 30, 2021	Final rule creating implementing regulations for the Fair Debt Collection Practices Act	<ul style="list-style-type: none"> • Rule
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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BARRY PELAGATTI

Partner & Leader, Financial Services Industry Group

BPelagatti@rklcpa.com

JULIYA KOFMAN GREENFIELD

Principal, Financial Services Industry Group

JKofmanGreenfield@RKLcpa.com

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