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RKL REGULATORY COMPLIANCE FOR FINANCIAL INSTITUTIONS >

June 2022

Regulation D: Reserve Requirements of Depository Institutions

May 16, 2022

- The Board of Governors of the Federal Reserve System (“Board”) has adopted final amendments to its Regulation D to revise the rate of interest paid on balances (“IORB”) maintained at Federal Reserve Banks by or on behalf of eligible institutions. The final amendments specify that IORB is 0.90 percent, a 0.50 percentage point increase from its prior level. The amendment is intended to enhance the role of IORB in maintaining the federal funds rate in the target range established by the Federal Open Market Committee (“FOMC” or “Committee”).
- Effective date: May 16, 2022

[Additional Information](#)

Loans in Areas Having Special Flood Hazards; Interagency Questions and Answers Regarding Flood Insurance

May 31, 2022

- The OCC, Board, FDIC, FCA and NCUA (collectively, the Agencies) are reorganizing, revising and expanding the Interagency Questions and Answers Regarding Flood Insurance. This revised guidance will assist lenders in meeting their responsibilities under Federal flood insurance law and increase public understanding of the Agencies' respective flood insurance regulations. Significant topics addressed by the revisions include guidance related to major amendments to the flood insurance laws with regard to the escrow of flood insurance premiums, the detached structure exemption, force placement procedures and the acceptance of flood insurance policies issued by private insurers. With this issuance, the Agencies are consolidating the Questions and Answers proposed by the Agencies in July 2020 and the Questions and Answers proposed by the Agencies in March 2021 into one set of Interagency Questions and Answers Regarding Flood Insurance.
- The issuance date of this guidance is May 11, 2022.

[Additional Information](#)

Authority of States to Enforce the Consumer Financial Protection Act of 2010

May 19, 2022

- The Consumer Financial Protection Bureau (CFPB) issued an interpretive rule that describes states' authorities to pursue lawbreaking companies and individuals that violate the provisions of federal consumer financial protection law. Because of the crucial role states play in protecting consumers, the Consumer Financial Protection Act grants their consumer protection enforcers the authority to protect their citizens and otherwise pursue lawbreakers.
 - **States can enforce the Consumer Financial Protection Act, including the provision making it unlawful for covered persons or service providers to violate any provision of federal consumer financial protection law.** This provision covers the Consumer Financial Protection Act itself as well as its 18 enumerated consumer laws and certain other laws, along with any rule or order prescribed by the CFPB under the Consumer Financial Protection Act, an enumerated consumer law, or pursuant to certain other authorities.
 - **States can pursue claims and actions against a broad range of entities.** The Consumer Financial Protection Act outlines entities over which the CFPB may exercise its enforcement authority under the statute. States are able to bring actions against a broader cross-section of companies and individuals.
 - **CFPB enforcement actions do not put a halt to state actions.** Sometimes states bring enforcement actions in coordination with the CFPB. A state may also bring an enforcement action to stop or remediate harm that is not addressed by a CFPB enforcement action against the same entity. Nothing in the Consumer Financial Protection Act precludes these complementary enforcement activities that serve to protect consumers at both the national and state levels.

[Additional Information](#)

Advisory Opinion on Revoking or Changing the Terms of Existing Credit Arrangements

May 18, 2022

- The Consumer Financial Protection Bureau (CFPB) is issuing this advisory opinion to affirm that the Equal Credit Opportunity Act and Regulation B protect not only those actively seeking credit but also those who sought and have received credit.
- This advisory opinion is applicable on May 18, 2022.

[Additional Information](#)

Cuban Assets Control Regulations

June 9, 2022

- The Department of the Treasury's Office of Foreign Assets Control (OFAC) is amending the Cuban Assets Control Regulations to implement elements of the policy announced by the Administration on May 16, 2022 to increase support for the Cuban people. This rule authorizes group people-to-people educational travel to Cuba and removes certain restrictions on authorized academic educational activities, authorizes travel to attend or organize professional meetings or conferences in Cuba, removes the \$1,000 quarterly limit on family remittances and authorizes donative remittances to Cuba. These amendments also add or update several cross references.
- This rule is effective June 9, 2022.

[Additional Information](#)

Community Reinvestment Act

June 3, 2022

- The Board of Governors of the Federal Reserve System (Board), the Federal Deposit Insurance Corporation (FDIC) and the Office of the Comptroller of the Currency (OCC) propose to amend their regulations implementing the Community Reinvestment Act of 1977 (CRA) to update how CRA activities qualify for consideration, where CRA activities are considered and how CRA activities are evaluated.
- Comments must be received on or before August 5, 2022.

[Additional Information](#)

NCUA Opens Door to Crypto for Credit Unions

May 26, 2022

- The NCUA has told credit unions they can use the technology behind cryptocurrency as long as they follow NCUA principals to ensure compliance with existing regulations and don't create undue risk.
- The NCUA listed several steps credit unions should take "at a minimum." They included:
 - The credit union's board of directors is notified of advancements in the underlying technology, the purposes of the technology and how using DLT aligns with the credit union's strategic planning objectives and approved risk tolerances.
 - Credit union staff and third parties using and managing the technology are complying with applicable laws and regulations and acting in a safe and sound manner.
 - Effective risk-management practices are followed to identify, assess and mitigate risks associated with DLT and the specific activities for which it will be deployed.
 - Risk assessment and audit functions can validate and attest to the effectiveness of risk mitigation practices in accordance with internal policy and industry leading practices.
 - Credit unions must identify, assess and mitigate risks associated with DLT.

[Additional Information](#)

Truth in Lending (Regulation Z); Impact of the 2021 Juneteenth Holiday on Certain Closed-End Mortgage Requirements

REMINDER

- The Bureau of Consumer Financial Protection (Bureau) is issuing this interpretive rule to provide guidance on certain Regulation Z timing requirements related to rescission of closed-end mortgages and the TILA-RESPA Integrated Disclosures (TRID). These timing requirements are based on a definition of “business day” that excludes days that are designated as legal public holidays under Federal law. The interpretive rule explains these timing requirements in light of recent legislation that designated “Juneteenth National Independence Day, June 19” (Juneteenth) as a Federal legal public holiday. It clarifies that, if the relevant closed-end rescission or TRID time period began on or before June 17, 2021, then June 19, 2021 was considered a business day, but nothing prohibits creditors from providing longer time periods. Therefore, it would also be compliant for creditors to have considered June 19, 2021 a Federal holiday for purposes of these provisions.

[Additional Information](#)

Effective Date	Implementing Rule/Regulation	Additional Details
November 1, 2020	New URLA Required Use	• Issuance
November 19, 2020	Payday, Vehicle Title and Certain High-Cost Installment Loans; Delay of Compliance Date	• Issuance
January 1, 2021	Truth in Lending (Regulation Z) Annual Threshold Adjustments (Credit Cards, HOEPA and Qualified Mortgages)	• Rule
January 1, 2021	CRA Asset-Size Adjustment for Small and Intermediate Small Institutions	• Rule
January 1, 2021	HMDA Adjustment to Asset-Size Exemption Threshold	• Rule
March 1, 2021	Extended URLA Implementation Timeline	• Issuance
November 30, 2021	Final Rule Implementing Regulations for the Fair Debt Collection Practices Act	• Rule
January 1, 2022	Regulation C Final Rule Establishing 200 Loans as the Permanent HMDA Data Reporting Threshold for Open-End Lines of Credit	• Rule
October 1, 2022	Mandatory Compliance for QM Definitions under Regulation Z	• Rule



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