

**Cooperative Credit Union Association, Inc.**  
**Federal Issues Preparatory Conference Call**  
**Tuesday, June 12, 2018**  
**Meeting Highlights**

The Association hosted a member only conference call today to provide a federal issues update on the myriad of key legislative, regulatory and emerging issues presently facing credit unions at the national level. The discussion, moderated by Association President/CEO Paul Gentile, also provided insights into the upcoming Hike-the-Hill, one of our signature national advocacy events, on June 20-21. Both Robert Henson, Associate Director of Advocacy and Elizabeth Eurgubian, Deputy Chief Advocacy Officer and Senior Counsel joined the discussion and provided a CUNA briefing.

**1. Conference Call Issues:**

Paul Gentile opened the conference call noting the good legislative win benefitting credit unions through the recent enactment of S. 2155, the *Economic Growth, Regulatory Relief and Consumer Protection Act*. In particular, he hailed the inclusion of one of the Association's top federal issues: 1-4 family member business loan parity, which became effective on June 5. Attention now turns to compliance and rulemaking required under the law.

From cannabis developments to Bank Secrecy Act proposed changes, it is a good time to be travelling to Washington for action. Other updates included:

-NCUA field-of-membership:

- FOM II proposal underway. Expected to be released soon, possibly at June Board meeting as there is no scheduled July Board meeting.
- Appeals by both NCUA and ABA pending and places all issues determined in the recent decision under review.

-Other NCUA issues:

- June NCUA Board meeting is also expected to address MBL appraisal discrepancy so credit union rules are consistent with banks. The threshold is expected to be increased for loans requiring an outside appraisal on property used as collateral from \$250,000 to \$500,000.
- NCUA Board seats: Metsger is current holdover; June 22 is deadline for Bureau of Consumer Financial Protection Bureau Director position; current NCUA Board vacancy; Rodney Hood, former NCUA Board Vice Chairman is possible candidate.
- Agency plans to continue to streamline rules, promote 1/3 rules review and promote examination modifications: call reports and AIREs.
- Effective date for S. 2155 1-4 family MBL parity: June 5, 2018.
- Changes to the voluntary merger rule are expected.
- Alternative capital proposal expected.
- Advocating for NCUA to work with FASB on CECL; requested webinars, training.
- Proposed bylaw changes are being earnestly reviewed.
- GDPR – General Data Protection Regulation: NCUA studying the issue, not examining for it now; working with other regulators to determine examination consistency.

**Cooperative Credit Union Association, Inc.**  
**Federal Issues Preparatory Conference Call**  
**Tuesday, June 12, 2018**  
**Meeting Highlights**  
**Page 2 of 4**

-Cannabis:

- Most recent legislative activity: Senators Warren and Gardner introduced a bill that would protect states where marijuana is legal.
- Association filed letter of support with Senator Warren.
- Momentum is building as President Trump has indicated he would support the bill.
- Another bill introduced last year by Senators Merkley, Gardner and Warren, the *Safe Banking Act*, is more narrow and adds attention to the issue.

-Legislative Activity:

- House Financial Services Committee to mark up a package of bills shortly.
- Focus is on outliers that Chairman Hensarling sought to add to the Senate bill. Examples include the *Tailor Act*, examination thresholds, and technical corrections to the privacy notification bill.

-Americans with Disabilities Act:

- Congressional Dear Colleague letter expected to be released today to the Department of Justice seeking website accessibility guidance to clarify credit union responsibilities under the law.
- Continue to actively litigate and monitor daily marketplace activity.

-Data Breaches:

- House activity ongoing but challenges exist between the jurisdiction of the energy/commerce and financial services committees continue.
- Consensus between them is uncertain.
- A bill is expected to be introduced this month.

-Bank Secrecy Act:

- Senator Warren's office is active on the issue and seeking consensus on possibly combining the SAR and CTRs into one form; raising thresholds: CTRs to \$30,000 and SARs to \$10,000 and index thresholds to inflation.
- Possible legislative introduction shortly.

-CFPB:

- Official name change to the Bureau of Consumer Financial Protection.
- Anticipating a new nominee for director as deadline is June 22.
- Focus has been on several Requests For Information: examinations, external relations, etc.
- HMDA rulemaking will be opened for further consideration; advocating for full credit union exemption for HELOC reporting.
- Other rulemakings: QM loans and payday small dollar loans.
- Small business data collection advance notice of proposed rulemaking is expected by year end.

**Cooperative Credit Union Association, Inc.**  
**Federal Issues Preparatory Conference Call**  
**Tuesday, June 12, 2018**  
**Meeting Highlights**  
**Page 3 of 4**

- Advocate for examination exemption for 7 largest credit unions subject to NCUA.
- Overdraft protection is not on agenda.
- Debt collection rulemaking for third parties in particular; seek credit union exemption.
- Advocating for expanded remittances exemption; retain Credit Union Advisory Council
- Advocating for changes to TILA/RESPA; waiting period not mandatory and should be able to be waived.

**2. Hike-the-Hill:**

The Hike-the-Hill advocacy event is distinguished from CUNA's GAC and complements the meetings held throughout the year and the work in local districts. Through this program, credit union leaders have the opportunity for substantive conversations that will help shape the direction of legislative and regulatory proposals which will positively impact the future of the credit union movement.

The [June 20-21 Hike-the-Hill](#) program, administered directly by the Association, provides a unique opportunity for member credit unions to dive deeper into issues and have relaxed discussions with federal officials face-to-face. All member credit unions are invited to make an impact and travel to Washington, DC to meet with U.S. Representatives, Senators and the NCUA.

The two-day program, scheduled with a day of congressional advocacy and a day of regulatory advocacy, is carefully planned to provide the opportunity to visit with officials while they are in session in DC during an election year and to coincide with the NCUA Board monthly meeting for a personalized briefing.

Program participation is free and open to all volunteers and staff of member credit unions. New enhancements and highlights this year include:

- Business Briefing will occur on Wednesday June 20<sup>th</sup> on Capitol Hill in the Senate Russell Building in Room 485 beginning at noon. While select key materials will be available onsite, members are encouraged to visit the Association's dedicated website and app to view additional materials which will be helpful to your hill discussions in advance prior to departure. These platforms will continue to be updated up to and through the program, so check back regularly.
- Wednesday program will conclude with a newly added evening reception, in place of the traditional group dinner, which will be held at Credit Union House, located conveniently across from the Senate side of Capitol Hill, beginning at 5:30 p.m. This reception will provide an ideal opportunity to meet with lawmakers in a relaxed and welcoming environment. Lawmakers have been invited to join member credit unions at our reception.

**Cooperative Credit Union Association, Inc.**  
**Federal Issues Preparatory Conference Call**  
**Tuesday, June 12, 2018**  
**Meeting Highlights**  
**Page 4 of 4**

- Thursday June 21<sup>st</sup> will focus on advocacy before the National Credit Union Administration. We will attend the NCUA Open Board Meeting as a group at NCUA's headquarters in Alexandria, VA. While the meeting begins at 10:00 a.m., entry into the building is subject to public security screening and a waiting line, so please plan accordingly. Individual meetings with members of the Board will occur in the afternoon based on the Board's schedule.

**3. Local Meetings:**

Finally, the Association encouraged attendees to be active in local meetings with policymakers which complement our federal advocacy platform. Tomorrow, Delaware credit unions will host their annual Credit Union Day. On June 29, the Association is also hosting a roundtable discussion with Congressman Lynch at Liberty Bay Credit Union in Hingham. All are welcome.

**4. Upcoming 2018 event dates:**

CCUA Annual Golf Tournament-August 30, 2018, The Haven, Boylston, MA  
Annual Meeting, Convention and Trade Show-October 10-12, 2018, Mohegan Sun Resort & Casino, Uncasville, CT

Please forward any questions or comments about this conference call or information presented to [govaff-events@ccua.org](mailto:govaff-events@ccua.org)