

DE COVID-19 Tracker: 3 Regulatory Changes; NCUA Letter/Regulatory Alert; CFPB; CARES Act 2.0; PPP Update; Economic Impact Payments – 5.11.20

Request For Federal Regulatory Suggestions for Change:

The Association is in the process of preparing a request to the National Credit Union Administration to look ahead and highlight the top continuing regulatory problems or concerns experienced by your credit union during this health emergency. To ensure that member views are prioritized and represented, please forward your **top 3 specific requests** to advocacyde@ccua.org by Friday, May 15. For example, credit unions seek continued, if not permanent, examination flexibility. This item will be advanced together with additional issues raised by members.

New NCUA Letter to Credit Unions-Central Liquidity Facility:

Letter to Credit Unions, [20-CU-08, Enhancements to the Central Liquidity Facility Membership and Borrowing Authority](#) provides CARES Act changes to the Central Liquidity Facility ("CLF"). This temporary authority permits a corporate credit union to become an agent member of the CLF for a subset of their members and sunsets on December 31, 2020 thereby substantially increasing contingent liquidity coverage and capacity within the credit union system.

All corporate credit unions have joined the CLF as agent members effective immediately and have purchased the CLF capital stock for their member credit unions, some corporates for others, with assets less than \$250 million making such credit unions eligible to apply for a loan from the CLF. Credit unions should work directly with corporate credit unions to request a CLF loan, not the CLF. Contact information for each corporate credit union is included in the letter.

The Association continues to work to make this new authority permanent.

New NCUA Regulatory Alert 20-RA-03 on Waiver of TRID and TILA Waiting Periods:

The Consumer Financial Protection Bureau issued an [interpretive rule](#) to clarify when consumers can elect to modify or waive certain required waiting periods for some mortgage loans due to the COVID-19 pandemic. The interpretive rule, effective immediately, specifically addresses waivers of required waiting periods under the TILA-RESPA Integrated Disclosure (TRID) rule and the Regulation Z right of rescission rule.

The interpretive rule provides that the need to obtain funds and not delay closing for reasons related to the COVID-19 pandemic may be a "changed circumstance" or "bona fide personal emergency" which would permit borrowers to waive waiting periods under both rules, or permit a credit union to amend some TRID documents. [The Alert may be found at Regulatory Alert.](#)

CFPB Remittance Rule:

The Bureau has issued a final rule amending the Remittance Transfer Rule. The amendments allow credit unions to provide estimates of certain fees and the exchange rates related to remittance transfers if they meet certain conditions. The final rule also increases the threshold, from 100 to 500, that determines whether a credit union is exempt from the Remittance Transfer Rule. The final rule is available [HERE](#).

CARES ACT 2.0:

The Association continues to work to advance the next round of emergency coronavirus relief. The enormous bill, the fifth legislative response to COVID-19, is estimated to exceed the size of the last package and be released shortly setting the stage for a House vote as soon as Friday. This action will likely launch a fierce partisan battle over which groups should benefit. Provisions to adopt a one year lift of the member business loan cap, co-sponsored by House Financial Services Committee Chairman Maxine Waters, and funding for community development institutions, as well as defeating a moratorium on overdraft fees and adverse debt collection provisions remain credit union priorities.

Other emerging provisions expected in the House bill:

Rent and mortgage assistance

The Emergency Rental Assistance Program calls for a new \$100 billion program to help families and individuals pay their rent and utilities.

Cash payments

A proposal is being considered to give most Americans a monthly \$2,000 relief check throughout the duration of the pandemic as an added safety net to buy groceries and pay rent during the economic shutdown.

Workers and businesses

Additional Paycheck Protection Program (PPP) funding replenishment. In addition, an alternative strategy is being discussed to replace the PPP with a program that provides federal grants directly to employers, allowing workers to remain employed and receiving health benefits, without navigating approval through lenders.

House leadership is hosting a conference call with the full caucus this evening to discuss the emerging CARES 2 proposal.

SBA PPP Data Request:

The Small Business Association is requesting the following data from lending institutions for any loans that have been disbursed and repaid, for whatever reason:

- SBA Lender ID
- Borrower Loan number
- Borrower Company Name
- Borrower City and State
- Loan Amount Cancelled after Disbursement

A spreadsheet template to respond to the data request is available from the SBA. The deadline for response is today, Monday, May 11, 2020.

If your credit union has no loans that have been disbursed and repaid, so that there is no data to report for this request, then please reply N/A to CLS@sba.gov.

CFPB FAQs on PPP Loans:

The Bureau issued clarifying [frequently asked questions \(FAQs\)](#) related to Equal Credit Opportunity Act ("ECOA") compliance for the SBA's PPP loans.

Under ECOA, creditors are generally required to notify applicants within 30 days of receiving a "completed application" of the creditor's approval, counteroffer, denial or other adverse notice regarding the application. The Bureau's FAQs clarify that a PPP application is only a "completed application" once the creditor has received a loan number from the SBA or a response about the availability of funds.

The FAQs also state that if the creditor denies an application without ever sending the application to the SBA, then the creditor must give notice of this adverse action within 30 days. It further clarifies that a creditor cannot deny a loan application based on

incompleteness where the creditor has enough information for a credit decision but has yet to receive a loan number or response about the availability of funds from the SBA.

IRS Economic Impact Payments By Direct Deposit:

The Economic Impact Payment by direct deposit deadline is **noon Wednesday, May 13**, for consumers to register with the Internal Revenue Service (“IRS”) through [Get My Payment](#)

After the deadline, the IRS will begin preparing to mail millions of additional payments to those who have not received one yet. Taxpayers can expect to receive these payments beginning in late May. *Get My Payment* is available in English and Spanish.

How Get My Payment works

The *Get My Payment* tool provides eligible taxpayers with an estimated deposit date for their Economic Impact Payment. The information is updated once a day, usually overnight. There is no need to check more often. Taxpayers who didn’t choose direct deposit on their last tax return can use this tool to enter account information to receive their payment by direct deposit.

Non-Filers tool is still available

For people not required to file a federal tax return, the [Non-Filers: Enter Payment Info Here tool](#), available in English and Spanish, helps them submit basic information to have an Economic Impact Payment sent to their account. This tool is a free and easy option for those who don’t receive:

- Social Security retirement, survivor or disability benefits (SSDI)
- Railroad Retirement benefits
- Supplemental Security Income (SSI)
- VA Compensation and Pension (C&P)

Eligible taxpayers who filed tax returns for 2019 or 2018 will receive the payments automatically. Automatic payments are also being sent to those receiving Social Security retirement, disability benefits, Railroad Retirement benefits, Veterans Affairs benefits or Supplemental Security Income soon.

Why the Economic Impact Payment amount could be different than anticipated

Payment amounts vary based on income, filing status and family size. Common scenarios that may explain why a different payment amount was received than expected:

- A 2019 tax return was not filed, or the IRS has not finished processing a 2019 return
- Claimed dependents are not eligible for an additional \$500 payment
- Dependents are college students
- Claimed dependents are parents or relatives, age 17 or older
- Past-due child support was deducted from the payment
- Garnishments by creditors reduced the payment amount

If the amount of any Economic Impact Payment is incorrect, review the eligibility requirements to make sure the criteria is met. In many instances, eligible taxpayers who received a smaller-than-expected Economic Impact Payment (EIP) may qualify to receive an additional amount early next year when they file their 2020 federal income tax return. The EIP will not reduce a taxpayer’s refund or increase the amount they owe when they file a tax return early next year. It is also not taxable and is therefore should not be included in income on a 2020 return.

More resources on Economic Impact Payments may be found here:

- [Questions about eligibility, payment amounts, and status of payment.](#)
- [Economic Impact Payments](#)
- [Chart](#) of various payment amount scenarios
- [Economic Impact Payment Information Center](#)