

COVID-19: Temporary Provisions

Important: The information in this chart is to be used only as a guide and is not an exhaustive list. Legislative and regulatory changes during this pandemic are being released at an unprecedented pace. Please log-in to CUNAs Compliance Community for the most recent update.

Topic	Date of Expiration/Sunset	Description
Reserve Requirements of Depository Institutions (Regulation D)	TBD	The interim amendments to Part 204 permit (not require) credit unions to suspend enforcement of the six-transaction limit. Credit unions should decide as to whether it want to discontinue six-transaction limit or continue to enforce the limit. The interim rule is here .
Insured Deposits Threshold (CARES Act § 4008(b))	Expires: December 31, 2020	The CARES Act permits the NCUA Board, in coordination with the Federal Deposit Insurance Corporation (FDIC) to increase by an unlimited amount, or such lower amount as the Board approves, the share insurance coverage on any non-interest bearing transaction accounts in any federally insured credit union until December 31, 2020. The NCUA Board will evaluate whether an increase is needed as the situation around the COVID-19 pandemic evolves.
Temporary Relief from Trouble Debt Restructurings (CARES Act § 4013)	Expires: December 31, 2020	The law permits financial institutions, including credit unions, to suspend the requirements for categorizing certain loan modifications related to the COVID-19 pandemic as troubled debt restructures. The federal financial regulatory agencies, including the NCUA, issued a revised interagency statement providing guidance on April 7, 2020.
Temporary Relief from Current Expected Credit Losses (CECL) (CARES Act § 4014)	Expires: December 31, 2020 or the termination of the public health emergency, whichever is earlier.	The CARES Act provides relief from the requirement to comply with CECL. Credit unions are not currently required to comply with the Current Expected Credit Loss (CECL), also known as Financial Accounting Standards

		Board (FASB) Accounting Standards Update No. 2016-13 (“Measurement of Credit Losses on Financial Instruments”).
Credit Protection During COVID-19 - FCRA Furnisher Obligations (CARES Act § 4021)	This protection is available beginning January 31, 2020 and ends 120 days after enactment or 120 days after the date the national emergency declaration for COVID-19 is terminated, whichever occurs later.	The CARES Act requires credit report agency data providers, including credit unions, to report loan modifications resulting from the COVID-19 pandemic as “current” or as the status reported before the accommodation unless the consumer becomes current. This requirement applies throughout the period of accommodation. The loan modifications may include, but are not limited to, forbearance and modified payments. This requirement applies only to accounts for which the consumer has fulfilled requirements of the forbearance or modified payment agreements. This protection is available beginning January 31, 2020 and ends 120 days after enactment or 120 days after the date the national emergency declaration for COVID-19 is terminated, whichever occurs later.
Paid Sick Leave & Paid Expanded Family Leave [FFCRA: 29 CFR 826]	Expires: December 31, 2020	The FFCRA created two new emergency paid leave requirements: (1) The Emergency Family and Medical Leave Expansion Act (EFMLEA), which provides up to twelve weeks of leave to care for a child who is home because his or her school or day care is closed, or child-care provider is unavailable, due to COVID-19 related issues, and (2) the Emergency Paid Sick Leave Act (EPSLA), which provides up to two weeks of paid sick leave at 100% of the employees regular rate of pay for six COVID-19 related qualifying reasons. Furthermore, the law allows employers to receive a credit against their payroll tax in an amount equal to 100% of the qualified paid leave wages paid for the period between April 1 st and December 31, 2020.
Foreclosure Moratorium on Single Family Mortgages and Consumer Right to Request Forbearance (CARES Act § 4022)	Expires: December 31, 2020, or termination of the COVID-19 public health emergency, whichever occurs earlier.	The CARES Act prohibits foreclosures on all single family federally backed mortgage loans for 60 days, beginning on March 18, 2020 and ending on May 17, 2020. It provides up to 180 days of forbearance for borrowers of a federally backed mortgage who experience a financial hardship related to the COVID-19 pandemic. Borrowers are not required to provide further documentation. Applicable mortgages include those purchased by Fannie Mae and Freddie Mac, insured or guaranteed by HUD, VA, or USDA, or made directly by the USDA.

<p>Forbearance of Residential Mortgage Loan Payments for Multifamily Properties with Federally Backed Loans (CARES Act § 4023)</p>	<p>Expires: December 31, 2020 or termination of the COVID-19 public health emergency, whichever occurs earlier.</p>	<p>The CARES Act provides up to 90 days' forbearance for borrowers with a federally backed multifamily mortgage loan who experience a financial hardship. Borrowers who receive forbearance may not evict or charge late fees to tenants for the duration of the forbearance period. Applicable mortgages include loans to real property designed for five or more families that are purchased, insured, or assisted by Fannie Mae, Freddie Mac, the U.S. Department of Housing and Urban Development (HUD), or any other federal agency.</p>
<p>Loan Participations [NCUA RR 701.22]</p>	<p>Expires: December 30, 2020</p>	<p>The NCUA Board amended the aggregate amount of loan participations purchased from any one originating lender, below which a waiver from the Regional Director is not required, to the greater of \$5 million or 200 percent of the credit union's net worth. This relief will remain in place until December 30, 2020. If a credit union exceeds the greater of \$5 million or 100 percent of its net worth on January 1, 2021, it may not purchase additional loan participations from that originating lender until it reduces its concentration to the greater of \$5 million or 100 percent of net worth or obtains a waiver from the NCUA Regional Director. For full details see the rule in the Federal Register.</p>
<p>Purchase, sale, and pledge of eligible obligations [NCUA RR 701.23(b)]</p>	<p>Expires: December 31, 2020</p>	<p>Permits well-capitalized credit unions that have a composite CAMEL rating of 1, 2, or 3 to purchase eligible obligations of nonmembers from a federally insured credit union and from a liquidating credit union. Also amended under § 701.23 federal credit unions are permitted to purchase, in whole or in part, and within the limitations of its board of directors' written purchase policies, eligible obligations pursuant to § 701.23(b)(1)(i) or § 701.23(b)(2)(i) without regard to whether the purchasing credit union is empowered to grant such loans. Loans purchased under this authority will therefore not count against the limit in § 701.23(b)(4) of 5% of the unimpaired capital and surplus of the purchaser. After December 31, 2020, any purchases made under this authority will be grandfathered. Subject to safety and soundness considerations, a federal credit union may hold any loans purchased under this temporary authority. For full details see the rule in the Federal Register.</p>

<p>Occupancy and disposal of acquired and abandoned premises [NCUA RR 701.36(c)]</p>	<p>Expires: December 31, 2020</p>	<p>The timeframe for federal credit unions to apply for waiver of occupancy and disposal of acquired and abandoned premises has been temporarily halted between the period of April 21, 2020 and December 31, 2020. Any days that fall within this timeframe will not be counted for purposes of determining a federal credit union's compliance with the required time periods under this part. For full details see the rule in the Federal Register.</p>
<p>Capital Adequacy [NCUA RR Part 702]</p>	<p>Applies to loans made under SBAs PPP Program</p>	<p>NCUA approved an interim final rule that amends the capital adequacy as a result of the creation of the SBAs Paycheck Protection Program. Under the interim rule PPP loans receive a zero-percent risk weight in the agency's risk-based net worth requirements. Also, under the interim rule, if a loan is pledged as collateral for a non-recourse loan provided through the Federal Reserve System's PPP Lending Facility, the covered loan can be excluded from a credit union's calculation of total assets for the purposes of calculating its net worth ratio. For full details see the Interim Regulatory Capital Rule: Paycheck Protection Program Lending Facility and Paycheck Protection Program Loans</p>
<p>Real Estate Appraisal Relief [NCUA RR Part 722]</p>	<p>Expires: December 31, 2020</p>	<p>The interim rule allows credit unions to defer appraisals for 120 days for residential and commercial real estate-related financial transactions, excluding transactions for acquisition, development, and construction of real estate. The deferment applies only to new purchase loans. For full details, see the rule in the Federal Register.</p>
<p>Definition of Commercial Loans [NCUA RR Part 723]</p>	<p>Applies to SBA PPP Program</p>	<p>The interim final rule clarifies that PPP loans would not constitute commercial loans under Part 723 of the NCUA's regulations. The interim final rule amends the commercial loan definition to add PPP loans issued under the CARES Act as an exclusion from the definition of commercial loan in § 723.2. For full details see the Interim Regulatory Capital Rule: Paycheck Protection Program Lending Facility and Paycheck Protection Program Loans.</p>
<p>Paycheck Protection Program – Requirements – Loan Forgiveness [Small Business Administration]</p>	<p>Applies to SBA PPP Program</p>	<p>This interim final rule outlines the general loan forgiveness process for applications that are not reviewed by SBA prior to the participating lender's decision on the forgiveness</p>

		application. This interim final rule expands upon the Loan Forgiveness Application and Instructions issued by SBA on May 15, 2020.
Paycheck Protection Program – SBA Loan Review Procedures and Related Borrower and Lender Responsibilities [Small Business Administration]	Applies to SBA PPP Program	This interim final rule , outlines the procedures SBA will use when reviewing a PPP loan for loan forgiveness as well as the borrower and lender obligations associated with those procedures.
Central Liquidity Facility [NCUA RR Part 725]	Expires: December 31, 2020	The temporary enhancements made to the CLF pertain to natural person credit unions as well as corporate credit unions (agents). The temporary changes allow new regular and agent members to borrow as soon as membership requirements are complete; the changes ease termination requirements for new members that join the CLF between 4/21/2020 and December 31, 2020; and allow for agent members to borrow for its own liquidity needs. Click here for the interim rule.
Prompt Corrective Action [NCUA RR Part 702]	Expires: December 31, 2020	In light of the COVID-19 pandemic, NCUA made two temporary changes to its prompt corrective action (PCA) regulations. The first amends its regulations to temporarily enable the Board to issue an order applicable to all FICUs to waive the earnings retention requirement for any FICU that is classified as adequately capitalized. The second modifies its regulations with respect to the specific documentation required for net worth restoration plans (NWRPs) for FICUs that become undercapitalized.

OTHER

Topic	Temporary Extensions	Description
Audit Reports	Varies	Examiners will not take exception to an audit report that is delivered later than the agreed upon date in the engagement letter (for audit reports that were already engaged prior to the rule change in October 2019). For all audits with a December 31, 2019 effective date and going forward, credit unions can agree on a reasonable timeframe for delivery of the audit report since the 120-day timeframe was removed from part 715 of NCUAs rules.
BSA Reports	Varies	

		See FinCEN guidance that was issued on March 16, 2020 and April 3, 2020 . FinCEN's March 16 COVID-19 Notice suspends FIN-2020-R001 regarding certain CTR reporting until further notice. FinCEN allows certain exceptive relief to beneficial ownership requirements as they relate to PPP loans: FinCEN FAQs for PPP .
Capital Plan and/or Stress Testing	Extended to August 31, 2020	The May 31, 2020 deadline for credit unions to submit the annual capital plan and/or stress testing results has been extended to the end of August. NCUA's Office of National Examinations and Supervision (ONES) will individually contact those credit unions meeting the criteria.
Examinations (On Site)	Temporarily postponed	Examiners are working off-site through May 30, 2020. Generally, staff will not be scheduling any onsite examination work until further notice. However, NCUA may conduct onsite work if necessary, to deal with an exigent circumstance. In addition, NCUA released LCU 20-CU-05 to provide guidance to credit unions on the examination process during COVID-19. The letter also addresses the agency's position on flexibility as it pertains to working with credit union on corrective actions.
Quarterly HMDA/Regulation C Reporting	Temporarily postponed	The CFPB will not expect quarterly information reporting by certain mortgage lenders as required under HMDA and Regulation C. However, credit unions should continue collecting and recording HMDA data in anticipation of making an annual submission. CFPB announcement dated 3.26.20
IRS Filing Extensions	July 15, 2020	Many federal tax filing related deadlines originally due April 15, 2020 have been extended to July 15, 2020, such as those for IRAs, HSAs, ESAs, and Form 5498. Additional details can be found in this Comp Blog post . Contact your tax professional with specific questions.

OFAC Blocking or Reject Reports	Varies	The Office of Foreign Assets Control (OFAC) is encouraging institutions affected by the COVID-19 pandemic to contact OFAC “as soon as practicable” if they experience any delays in filing blocking or reject reports within ten business days, responding to administrative subpoenas, filing reports required by general or specific OFAC licenses, or providing any other reports or submissions required by OFAC. For OFAC contact information regarding delayed submissions, please click here .
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