



# REGCORNER

November 28th, 2023

In this edition of RegCorner: NCUA Board approves CDA final rule; CUNA, NAFCU and others provide testimony during NCUA 2024 Budget hearing; NCUA reinstates monetary penalties for late Call Reports; Treasury/FinCEN/OFAC enter multi-billion dollar settlement with Binance; FRB updates service fee schedule; and more.

## From the Regulators

### NCUA

#### Chairman Harper Testifies to Congressional Committees.

[Read More](#)

On Tuesday, November 14<sup>th</sup>, Chairman Harper testified to the Senate Committee on Banking, Housing and Urban Affairs.

- [NCUA Newsroom/Written Testimony](#)
- [Hearing Recording](#)
- Relevant Timestamps
  - [Opening Statement \(Written\)](#)
  - [Response](#) to Chairman Brown's (D-OH) question on how the agency has modified its approach to supervision following the bank failures earlier this year.
  - [Response](#) to Senator Smith's (D-MN) question on how technology assisted this year's bank runs and how supervisory agencies are rethinking their regulatory approach to manage growing technology risks.

On Wednesday, November 15<sup>th</sup>, Chairman Harper testified to the House Financial Services Committee.

- [NCUA Newsroom/Written Testimony](#)
- [Hearing Recording](#)
- Relevant Timestamps
  - [Opening Statement \(Written\)](#)
  - [Response](#) to Rep. Luetkemeyer's (R-MO) question on the applicability of the Fed's debit interchange rule, the Durbin amendment, and the impact on credit unions.

In both hearings, Chairman Harper requested:

- That Congress make legislative reforms to the Central Liquidity Facility;
- A restoration of the NCUAs Third-Party Vendor Authority; and
- Additional flexibility for administering the NCUSIF by removing the 1.5% equity ratio ceiling from the FCUA definition of 'normal operating level.'

11/15/23

#### The NCUA Board Held its October Meeting, Receiving an NCUSIF Briefing and Issuing a Final Rule on Charitable Donation Accounts.

[Read More](#)

##### Board Briefing: Q3 NCUSIF Performance

The Chief Financial Officer [briefed](#) the NCUA Board on the performance of the Share Insurance Fund for the quarter ending on September 30, 2023. The Share Insurance Fund reported a net income of \$59.0 million, \$20.9 billion in assets, and \$113.4 million in total income for the third quarter of 2023.

"The Share Insurance Fund's performance in the third quarter of 2023 mirrors the industry's financial performance over the last year," Chairman Harper said. "Like the credit union system, the Share Insurance Fund is performing generally well overall. But, there are some flashing cautionary lights that we should all heed and act upon. For several months, the NCUA has reported signs of growing liquidity, interest rate, and credit risks within the credit union system. In today's report, we see that stress firsthand, especially in large, complex credit unions with \$500 million or more in assets."

Additionally, for the third quarter of 2023:

The number of composite CAMELS code 3 credit unions increased from 771 to 777 at the end of the third quarter. Assets for these credit unions increased from the second quarter to \$131.7 billion from \$91.0 billion.

The number of composite CAMELS codes 4 and 5 credit unions decreased from 134 to 131 at the end of the third quarter. Assets for these credit unions decreased from \$6.3 billion to \$5.4 billion.

"I cannot emphasize this enough: credit union executives, supervisors, and boards of directors must remain diligent in managing the potential risks on their balance sheets and when monitoring economic conditions and the interest rate environment. Today's economic environment requires active — not passive — management by all," Chairman Harper said.

At the end of the third quarter of 2023, three federally insured credit union failures cost the Share Insurance Fund approximately \$1.4 million in losses.

##### Final Rule: Charitable Donation Accounts

The NCUA Board unanimously approved a [final rule](#) that adds "war veterans' organizations" to the definition of a "qualified charity" that a federal credit union may contribute to using a charitable donation account.

"With this final rule, the NCUA is taking an important step in honoring our nation's many veterans," NCUA Chairman Todd M. Harper said. "The rule is good for veterans, good for military families, good for credit union members, good for credit unions, and good for our country. And, it fits nicely within the credit union ethos of people helping people."

Specifically, the final rule adds a post or organization of past or present members of the Armed Forces of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization recognized as exempt from taxation under section 501(c)(19) of the Internal Revenue Code to the definition of a "qualified charity" that a federal credit union may contribute to using a charitable donation account. A "qualified charity" is a section 501(c)(3) entity defined by the Internal Revenue Code and must be both a non-profit and organized for a charitable purpose.

At its May 2023 meeting, the NCUA Board approved the proposed rule, noting the attributes of "veterans' organizations" as defined in the Internal Revenue Code aligned with the purposes of the agency's charitable donation account rule.

Read Chairman Harper's [statement](#) on the final rule.

Read Vice Chair Hauptman's [statement](#) on the final rule.

Read Board Member Hood's [statement](#) on the final rule.

The final rule goes into effect on 12/21/2023.

11/16/23

#### NCUA Holds Public Hearing for Proposed 2024-2025 Budget.

##### Relevant links:

- [2024-2025 Staff Draft Budget Justification](#)
- [Public Hearing Recording](#)
  - [Opening Testimony](#): Mike Schenk, Chief Economist, CUNA
  - [Opening Testimony](#): Curt Long, Chief Economist, NAFCU
  - [Opening Testimony](#): John Kolhoff, SVP Of Policy & Supervision, NASCUS
- [Opening Remarks \(Written\), Chairman Harper](#)
- [Opening Remarks \(Written\), Board Member Hood](#)

- [CUNA questions extent, reasons behind NCUA proposed budget increase](#)
- [NAFCU's Long testifies on 'unsustainable' NCUA budget increases](#)
- [CUNA concerned with proposed increase in NCUA budget, examination staff](#)

11/16/23

### NCUA Reinstates Civil Money Penalties for Late Call Report Filing.

[Read More](#)

The National Credit Union Administration today announced that it will reinstate assessing civil money penalties for credit unions failing to submit NCUA Form 5300 Call Report on time, effective January 1, 2024.

“The program was suspended after the December 2019 cycle due to the COVID-19 pandemic,” NCUA Chairman Todd M. Harper said. “It is now time to reinstate the program to ensure we provide credit union members, the financial services stakeholders, other regulators, and the public with the most accurate and up-to-date quarterly Call Report data on a timely basis.”

The December 2023 Call Report will be the first reporting cycle under the reinstated program and will be due by 11:59:59 p.m. Eastern time, January 30, 2024.

To assist credit unions in avoiding a penalty, the NCUA will send a reminder to credit unions with outstanding Call Reports one week before the due date.

11/28/23

## CFPB

### CFPB Fines Repeat Offender Enova \$15 Million for Violating Order, Deceiving Customers, and Withdrawing Funds Without Consent.

[Read More](#)

Online lender Enova was fined \$3.2 million in 2019 and was ordered to cease illegal activity. The CFPB has fined the lender once again for failure to comply with the previous order and for further violations. After additional investigation, the CFPB found that Enova:

- Withdrew funds from consumer accounts without consent;
- Backtracked on previously granted loan extensions;
- Deceived borrowers with false statements and omissions; and
- Failed to provide consumers copies of signed authorizations.

The new order requires Enova to pay a \$15 million penalty, bans the lender from offering short-term loans, provide redress to affected consumers, and take action to reform executive compensation structures.

11/15/23

### FDCPA Report Highlights Consumer Protection Issues in Medical Debt Collection.

[Read More](#)

The CFPB's annual report to Congress on the Fair Debt Collection Practices Act reviews the 8,500 medical debt collection complaints received in 2022 and describes how the CFPB and states have worked to stop the collections of medical bills that are inaccurate or not even owed at all. The report also provides updates on the debt collection market more broadly and summarizes activities by the CFPB and other federal agencies relating to debt collection, including the Federal Trade Commission (FTC) and its actions under the FTC Act to protect small businesses from unfair and deceptive debt collection practices.

11/16/23

### CFPB Orders Toyota Motor Credit to Pay \$60 Million for Illegal Lending and Credit Reporting Misconduct.

[Read More](#)

The CFPB ordered Toyota Motor Credit Corporation to pay \$60 million in consumer redress and penalties for operating an illegal scheme to prevent borrowers from cancelling product bundles that increased their monthly car loan payments. The company withheld refunds or refunded incorrect amounts on the bundled products and knowingly tarnished consumers' credit reports with false information.

Toyota Motor Credit provided financing for consumers buying cars through Toyota dealerships, which often included the bundling of additional products such as GAP and Credit Life and Accidental Health (CLAH) coverage, the cost of which averaged between \$700-\$2,500 per loan. Thousands of consumers complained to Toyota Motor Credit that dealers had lied about whether these products were mandatory, included them on contracts without the borrowers' knowledge, or rushed through paperwork to hide buried terms.

The order describes in detail how the company harmed consumers, including by:

- Directing consumers to a dead-end cancellation hotline;
- Delaying refunds by applying them to principal payments;
- Withholding refunds or providing inaccurate refund amounts; and
- Furnishing false data to consumer reporting companies.

The order will require Toyota Motor Credit to pay \$32 million to consumers who did not receive GAP/CLAH refunds, \$9.9 million to consumers who tried but were unable to cancel GAP/CLAH coverage, \$6 million to consumers affected by TMC's false information submitted to consumer reporting agencies, \$52,000 to consumers who were not given accurate refunds, and a \$12 million penalty paid into the CFPB's victim relief fund.

11/20/23

### Director Chopra Scheduled to Appear Before House and Senate Committees This Week.

Congress has returned from recess and will hold several hearings of note, including CFPB Director Rohit Chopra's appearances before both the Senate Banking Committee and the House Financial Services Committee as he delivers the bureau's semi-annual report to Congress.

[House Financial Services Committee](#)

**Hearing Entitled:** The Semi-Annual Report of the Bureau of Consumer Financial Protection

**Date:** Wednesday, November 29<sup>th</sup> @ 10:00 am

[Senate Committee on Banking, Housing and Urban Affairs](#)

**Hearing Entitled:** The Consumer Financial Protection Bureau's Semi-Annual Report to Congress

**Date:** Thursday, November 30<sup>th</sup> @ 10:15 am

11/27/23

## FinCEN

### FinCEN Issues Updated Beneficial Ownership Information FAQs.

[Read More](#)

FinCEN has updated its Beneficial Ownership Information (BOI) FAQs to include new questions about the reporting process, reporting companies, beneficial owners, company applicants, reporting requirements, initial reports, and reporting company exemptions.

[Background](#)

Beginning on January 1, 2024, many companies in the United States will have to report information about their beneficial owners—the individuals who ultimately own or control the company. Companies will be able to begin reporting beneficial ownership information to FinCEN at that time. FinCEN will continue to provide guidance on how to submit beneficial ownership information.

11/16/23

### FinCEN, OFAC, Announce Largest Settlements in History with World's Largest Virtual Currency Exchange Binance for Violations of U.S. Anti-Money Laundering and Sanctions Laws.

[Read More](#)

The U.S. Department of the Treasury, through the Financial Crimes Enforcement Network (FinCEN), the Office of Foreign Assets Control (OFAC), and IRS Criminal Investigation (CI), has taken unprecedented action to hold Binance Holdings Ltd. and its affiliates (collectively, Binance) accountable for violations of the U.S. anti-money laundering (AML) and sanctions laws that protect American national security and the integrity of the international financial system. Binance is the

world's largest virtual currency exchange, responsible for an estimated 60% of centralized virtual currency spot trading.

FinCEN's settlement agreement assesses a civil money penalty of \$3.4 billion, imposes a five-year monitorship, and requires significant compliance undertakings, including to ensure Binance's complete exit from the United States. OFAC's settlement agreement assesses a penalty of \$968 million and requires Binance to abide by a series of robust sanctions compliance obligations, including full cooperation with the monitorship overseen by FinCEN. To ensure that Binance fulfills the terms of its settlement — including that it does not offer services to U.S. persons — and to ensure that illicit activity is addressed, Treasury will retain access to books, records, and systems of Binance for a period of five years through a monitor. Failure to live up to these obligations could expose Binance to substantial additional penalties, including a \$150 million suspended penalty, which would be collected by FinCEN if Binance fails to comply with the terms of the required compliance undertakings and monitorship.

[FinCEN Consent Order](#)

[OFAC Settlement Agreement](#)

11/21/23

### FinCEN Alerts Financial Institutions to COVID-19 Employee Retention Credit Fraud.

[Read More](#)

FinCEN has issued an alert to financial institutions on fraud schemes related to the COVID-19 Employee Retention Credit (ERC). The alert provides an overview of typologies associated with ERC fraud and scams, highlights select red flags to assist financial institutions in identifying and reporting suspicious activity and reminds financial institutions of their reporting requirements under the Bank Secrecy Act (BSA).

[FIN-2023-Alert007](#)

FinCEN requests that financial institutions indicate a connection between the suspicious activity being reported and the activities highlighted in this Alert by including the key term "FIN-2023-ERC" in SAR field 2 (Filing Institution Note to FinCEN), as well as in the narrative.

11/22/23

## CDFI Fund

### Get Ready for the FY 2024 Capital Magnet Fund Application Round: Webinar and Important Tips!

[Read More](#)

If you are new to the Capital Magnet Fund or simply need a refresher, the Capital Magnet Fund team will hold a pre-Application webinar for potential applicants on December 6, 2023. The webinar will provide an overview of the Capital Magnet Fund program and explain how applicants can prep for the round in advance by setting up the essential System for Award Management (SAM), Grants.gov, and Awards Management Information System (AMIS) accounts.

[Pre-Application Webinar](#)

**Date:** Wednesday, December 6<sup>th</sup> @ 2:00 pm

[Register Here](#)

11/21/23

### CDFI Fund Releases Update to NMTC Program Compliance FAQs.

[Read More](#)

The Fund has provided an updated Compliance Frequently Asked Questions (FAQs) document for the New Markets Tax Credit Program (NMTC Program) on its website. This document supersedes the December 2022 publication of the FAQs document by adding, revising, or updating select questions from the earlier edition.

11/21/23

## Federal Reserve

### Federal Reserve Board announces pricing for payment services the Federal Reserve Banks provide to banks and credit unions, such as the clearing of checks, ACH transactions, and wholesale payment settlement services.

[Read More](#)

The full fee schedule will be effective January 2, 2024, and is available via [Federal Register Notice](#).

11/17/23

### Federal Reserve Board Announces Annual Indexing of Reserve Requirement Exemption Amount and Low Reserve Tranche for 2024.

[Read More](#)

The Board is amending Regulation D, Reserve Requirements of Depository Institutions, to reflect the annual indexing of the reserve requirement exemption amount and the low reserve tranche for 2024. The annual indexation of these amounts is required notwithstanding the Board's action in March 2020 of setting all reserve requirement ratios to zero. The reserve requirement exemption amount for 2023 will remain \$36.1 million, unchanged for 2024, consistent with the Federal Reserve Act. The Board is amending Regulation D to set the amount of the low reserve tranche at \$644.0 million (decreased from \$691.7 million in 2023). The annual indexation of the reserve requirement exemption amount and low reserve tranche is required by statute but will not affect depository institutions' reserve requirements, which will remain zero.

11/27/23

## Michigan

### CRA

### Cannabis Regulatory Agency Summarily Suspends the Processing Licenses of Michigan Investments 10 in Pinconning.

[Read More](#)

The Cannabis Regulatory Agency (CRA) summarily suspended the medical and adult-use marijuana processor licenses of Michigan Investments 10, Inc., located at 772 E. Pinconning Rd., Pinconning, Michigan. The CRA determined that the safety or health of patrons or employees is jeopardized by Michigan Investments 10's continued operation and that the public health, safety, or welfare requires emergency action.

The CRA's investigation revealed that the businesses incorrectly entered data in Metrc, failed to properly track large quantities of product in Metrc, had product that was missing Metrc tags and could not be traced to the legal market, and could not physically locate numerous products that were in their Metrc inventory.

11/15/23

## Other Points of Interest

Regarding the delay of Dodd-Frank Section 1071 (CFPB Small Business Lending Rule) Implementation: Most recently, the Federal District Court of TX granted CUNA's joinder to an emergency motion for preliminary injunction, expanding the stay of implementation to all entities covered under the rule pending the CFPB funding structure Supreme Court case.

[Full timeline:](#)

- [8/1/23](#) – Rule blocked by TX federal judge for certain banks.
- [8/7/23](#) – CUNA, NAFCU write to CFPB requesting stay for all covered entities.
- [8/10/23](#) – CUNA files motion to intervene with TX court.
- [8/14/23](#) – TX court grants CUNA's motion to intervene.
- [8/17/23](#) – CUNA filed to join an Emergency Motion for Preliminary Injunction.
- [9/1/23](#) – Eight Senators wrote to CFPB Director Chopra requesting stay for all covered entities.
- [10/18/23](#) – Senate passes joint resolution of disapproval of 1071 rule. Biden administration [opposes](#).
- [10/26/23](#) – TX court grants CUNA's 8/17 joinder and expands stay for all covered entities.

Updated: 10/26/23



**CUNA releases detailed analysis of FHFA’s FHLBank report.**

[Read More](#)

CUNA released a detailed analysis of FHFA’s report on the FHLBank system to get credit unions thinking about how they use the FHLBank system, as well as pairs FHFA’s objectives identified in the report with FHFA’s corresponding recommendation.

**Relevant Links:**

- [FHLBank System at 100: Focusing on the Future](#)
- [FHLB Report Fact Sheet](#)
- [CUNA’s FHLB Report Analysis](#)

11/27/23

**CCUL President Writes Op-Ed: No ‘Junk’ In Overdraft Fees.**

[Read More](#)

California and Nevada Credit Union Leagues President/CEO Diana Dykstra writes that opting in to overdraft protection is a valued and worthwhile choice for many credit union members.

*“When it comes to all the hype on “junk fees,” credit unions stand out as beacons of genuine consumer advocacy by offering financial security and transparent terms with their overdraft programs, providing services that align with the needs and requests of their members. As credit unions continue to prioritize the financial wellbeing of their members, they reinforce their role as true defenders of all consumers in our financial ecosystem.”*

11/20/23

**CUNA President Jim Nussle Pens Interchange Op-Ed.**

[Read More](#)

The negative impact of pending interchange legislation on consumers headlined an op-ed in the Miami Herald by CUNA President/CEO Jim Nussle. Citing the impact of the Durbin Amendment on debit card interchange, the piece highlights retailers’ failure to reduce costs, the impact of data security challenges and who pays for it, and consumers’ risk of losing access.

*“Congress must not relieve big-box retailers of their cost of doing business. Doing so would threaten the security and sanctity of consumers’ finances.”*

11/21/23

**Relevant Blog Pages/Posts**

- [NAFCU Compliance Blog](#)
  - 11/15/23 – [Financial Innovation: Recent Changes to Loan Participations](#)
  - 11/22/23 – [Customer Identification Program \(CIP\) Requirements and Non-U.S. Persons](#)
- [CUNA CompBlog](#) (Compliance Community Login Required)

**Submitted Regulatory Comment Letters**

**Regulatory Response Letters**

- [NCUA Proposed Budget](#)
  - [CUNA](#)
  - [NAFCU](#)

**Other Letters to Regulators**

- CUNA, NAFCU and other trades wrote to the CFPB in response to their petition to require consumer consent to use arbitration as a means to resolve disputes. ([LETTER](#)) ([CFPB Petition](#))
- NAFCU, CUNA and other trades write to the Federal Reserve Board requesting an extension to the comment deadline for the debit card interchange NPRM. ([LETTER](#))
- CUNA, NAFCU and other trades wrote to the CFPB regarding the FCRA rulemaking process, requesting that the agency publish an Advanced Notice of Proposed Rulemaking before publishing a Notice of Proposed Rulemaking. ([LETTER](#))

**Browse All Industry Comment Letters**

- [MCUL](#)
- [CUNA](#)
- [NAFCU](#)
- [NASCUS](#)

**Open Comment Calls**

If you have input on any comment calls below that you would like to provide for consideration, please direct them to [Bradley.Willett@mcul.org](mailto:Bradley.Willett@mcul.org) no later than 3 weeks prior to the comment due date.

**OMB Proposed Rule; Notification of Proposed Guidance:** OMB Guidance for Grants and Agreements

**Docket No.** OMB-2023-0017

OMB proposes revising 2 CFR for reasons including: (1) incorporating statutory requirements and administration priorities; (2) reducing agency and recipient burden; (3) clarifying sections that recipients or agencies have interpreted in different ways; and (4) rewriting applicable sections in plain language, improving flow, and addressing inconsistent use of terms. Consistent with these objectives, OMB proposes both policy changes and clarifications to existing guidance including plain language revisions. OMB also proposes to update the guidance to reflect recent OMB priorities related to Federal financial assistance. Finally, OMB's proposed revisions are also intended to improve Federal financial assistance management, transparency, and oversight through more accessible and readily comprehensible guidance.

**Comments Due:** December 4, 2023

Agency Announcement

[Federal Register](#)  
[Regulations.gov](#)

**NCUA Proposed Rule:** Simplification of Share Insurance Rules

**Docket No.** NCUA-2023-0082

The NCUA Board (Board) is seeking comment on proposed amendments to its regulations governing share insurance coverage. The proposed rule would address the following items: simplify the share insurance regulations by establishing a “trust accounts” category that would provide for coverage of funds of both revocable trusts and irrevocable trusts deposited at federally insured credit unions (FICUs); provide consistent share insurance treatment for all mortgage servicing account balances held to satisfy principal and interest obligations to a lender; and provide more flexibility for the NCUA to consider various records in determining share insurance coverage in liquidations.

Other relevant information:

CUNA and NAFCU have submitted a [letter](#) to the NCUA requesting an extension out to 90 days. If the request is granted, comments would be due January 23, 2024 – this tracker will be updated as needed.

**Comments Due:** December 26, 2023

[Agency Announcement](#)  
[Federal Register](#)  
[Regulations.gov](#)

**CFPB Proposed Rule:** Required Rulemaking on Personal Financial Data Rights

**Docket No.** CFPB-2023-0052

**Comments Due:** December 29, 2023

[Agency Announcement](#)

<p>The Consumer Financial Protection Bureau (CFPB) is proposing to establish 12 CFR part 1033, to implement section 1033 of the Consumer Financial Protection Act of 2010 (CFPA). The proposed rule would require depository and non-depository entities to make available to consumers and authorized third parties certain data relating to consumers’ transactions and accounts; establish obligations for third parties accessing a consumer’s data, including important privacy protections for that data; provide basic standards for data access; and promote fair, open, and inclusive industry standards.</p> <p><b>Proposed Regulatory Text:</b> <a href="#">12 CFR Part 1033</a>  <b>Additional Resource:</b> <a href="#">CFPB Fast Facts Sheet</a></p> <p><u>Other relevant information:</u>  NAFCU, CUNA and other trades have submitted a <a href="#">letter</a> to the CFPB requesting an extension out to 90 days after publication in the Federal Register. If the request is granted, comments would be due January 29, 2024 – this tracker will be updated as needed.</p>	<p><a href="#">Federal Register</a>  <a href="#">Regulations.gov</a></p>
<p><b>NCUA Proposed Rule:</b> Fair Hiring in Banking  <b>Docket No.</b> NCUA-2023-0023</p> <p>The NCUA Board (Board) proposes to incorporate its “Second Chance” Interpretive Ruling and Policy Statement 19-1 (<a href="#">IRPS 19-1</a>) and the <a href="#">Fair Hiring in Banking Act</a> (SEC. 5705; p.1017) into its regulations. Section 205(d) of the Federal Credit Union Act (Section 205(d)) prohibits, except with the Board’s prior written consent, any person who has been convicted of certain criminal offenses involving dishonesty or breach of trust (a covered offense), or who has entered into a pretrial diversion or similar program in connection with a prosecution for such offense (program entry), from participating in the conduct of the affairs of an insured credit union.</p>	<p><b>Comments Due:</b>  January 8, 2024</p> <p><a href="#">Agency Announcement</a>  <a href="#">Federal Register</a>  <a href="#">Regulations.gov</a></p>
<p><b>FTC Proposed Rule:</b> Trade Regulation Rule on Unfair or Deceptive Fees  <b>Docket No.</b> FTC-2023-0064</p> <p>The Federal Trade Commission commences a rulemaking to promulgate a trade regulation rule entitled “Rule on Unfair or Deceptive Fees,” which would prohibit unfair or deceptive practices relating to fees for goods or services, specifically, misrepresenting the total costs of goods and services by omitting mandatory fees from advertised prices and misrepresenting the nature and purpose of fees. The Commission finds these unfair or deceptive practices relating to fees to be prevalent based on prior enforcement, the comments it received in response to an advance notice of proposed rulemaking, and other information discussed in this proposal.</p>	<p><b>Comments Due:</b>  January 8, 2024</p> <p><a href="#">Agency Announcement</a>  <a href="#">Federal Register</a>  <a href="#">Regulations.gov</a></p>
<p><b>CFPB Proposed Rule:</b> Defining Larger Participants of a Market for General-Use Digital Consumer Payment Applications  <b>Docket No.</b> CFPB-2023-0053</p> <p>The Consumer Financial Protection Bureau (CFPB) proposes a rule to define a market for general-use digital consumer payment applications. The proposed market would cover providers of funds transfer and wallet functionalities through digital applications for consumers’ general use in making payments to other persons for personal, family, or household purposes. Larger participants of this market would be subject to the CFPB’s supervisory authority under the Consumer Financial Protection Act (CFPA).</p> <p>The proposed rule implements section 1024 of the Consumer Financial Protection Act, which grants the Bureau supervision authority over certain non-depository entities. If enacted, the proposed regulation would grant the Bureau supervision authority over wallet apps and P2P providers that are deemed “larger” participants within the consumer payments market. While no apps/providers are named, this would likely include Zelle, PayPal, Venmo, CashApp, Samsung/Google/Apple Pay, and the like.</p> <p><b>Proposed Regulatory Text:</b> <a href="#">12 CFR Part 1090</a></p> <p><u>Other relevant information:</u></p> <ul style="list-style-type: none"> <li>• CUNA: <a href="#">CFPB proposal would extend supervision to digital wallet, payment app companies</a></li> <li>• NAFCU: <a href="#">Industry win: CFPB issues proposal to level playing field between fintechs, CUs</a></li> </ul>	<p><b>Comments Due:</b>  January 8, 2024</p> <p><a href="#">Agency Announcement</a>  <a href="#">Federal Register</a>  <a href="#">Regulations.gov</a></p>
<p><b>FinCEN Notice of Proposed Rulemaking:</b> Convertible Virtual Currency Recordkeeping and Reporting Requirements  <b>Docket No.</b> FINCEN-2023-0016</p> <p>This NPRM (1) sets forth FinCEN's finding that transactions involving CVC mixing within or involving jurisdictions outside the United States are a class of transactions that are of primary money laundering concern; and (2) proposes requiring covered financial institutions to implement certain recordkeeping and reporting requirements on transactions that covered financial institutions know, suspect, or have reason to suspect involve CVC mixing within or involving jurisdictions outside the United States.</p>	<p><b>Comments Due:</b>  January 22, 2024</p> <p><a href="#">Agency Announcement</a>  <a href="#">Federal Register</a>  <a href="#">Regulations.gov</a></p>
<p><b>Federal Reserve Board Proposed Rule:</b> Debit Card Interchange Fees and Routing  <b>Docket No.</b> R-1818</p> <p>This proposed rule would make significant revisions to Regulation II’s interchange fee cap. Specifically, the proposed revisions would update all three components of the interchange fee cap based on the latest data reported to the Board by covered issuers regarding debit card transactions performed in 2021. Under the proposal:</p> <ul style="list-style-type: none"> <li>• The base component would be 14.4 cents (down from 21.0 cents)</li> <li>• The ad valorem component would be 4.0 basis points (down from 5.0 basis points)</li> <li>• The fraud-prevention adjustment would be 1.3 cents (up from 1.0 cents)</li> </ul> <p>Additionally, the proposal would codify in Reg II an approach for updating the three components of the interchange fee cap every other year going forward based on the latest data reported to the Board by covered issuers, without opportunity for public comment.</p> <p><b>Related Materials:</b> <a href="#">2021 Interchange Fee Revenue Report</a></p> <p><u>Additional relevant information:</u></p> <ul style="list-style-type: none"> <li>• <a href="#">Governor Bowman Dissent</a></li> <li>• NAFCU, CUNA and other trades have submitted a <a href="#">letter</a> to the FRB requesting an extension of an additional 90 days to comment.</li> </ul>	<p><b>Comments Due:</b>  February 12, 2024</p> <p><a href="#">Agency Announcement</a>  <a href="#">Federal Register</a>  <a href="#">Regulations.gov</a></p>

Agency	Unified Rulemaking Agenda (Spring 2023 Update)	Agency Rulemaking Tracker	Federal Register	Regulations.gov
NCUA	<a href="#">LINK</a>	<a href="#">LINK</a>	<a href="#">LINK</a>	<a href="#">LINK</a>
CFPB	<a href="#">LINK</a>	<a href="#">LINK</a>	<a href="#">LINK</a>	<a href="#">LINK</a>
Treasury <i>CDFI Fund</i> <i>FinCEN</i>	<a href="#">LINK</a> n/a n/a	n/a <a href="#">LINK</a> <a href="#">LINK</a>	<a href="#">LINK</a> <a href="#">LINK</a> <a href="#">LINK</a>	<a href="#">LINK</a> <a href="#">LINK</a> <a href="#">LINK</a>
Federal Reserve System	<a href="#">LINK</a>	<a href="#">LINK</a>	<a href="#">LINK</a>	<a href="#">LINK</a>
FHFA	<a href="#">LINK</a>	<a href="#">LINK</a>	<a href="#">LINK</a>	<a href="#">LINK</a>
FTC	<a href="#">LINK</a>	n/a	<a href="#">LINK</a>	<a href="#">LINK</a>
HUD	<a href="#">LINK</a>	n/a	<a href="#">LINK</a>	<a href="#">LINK</a>
FCC	n/a	<a href="#">LINK</a>	<a href="#">LINK</a>	<a href="#">LINK</a>

**Compliance Calendar**



- **November 1 – December 31, 2023:** Safe Act Annual Renewal of Credit Union Information with NMLS; Safe Act Annual Renewal of Individual MLO Registrations
- **December 31, 2023:** Complete ACH Audit