Compliance Office Hours Recap

Updates Provided:

General Updates:

- Reminded the group that the recap document will no longer be emailed out and will only be available on the MCUL website.
- Provided the group with the new link to register for 2027 Compliance Office Hours meetings. You can find that link here.
- Reminded the group that John Crews is joining our Industry Call on 11/12 at 10:00 a.m. You can find the link to register for that event here.
- We held our final 2026 Town Hall on 11/5 with Chuck Holzman on Business Accounts. If you would like a copy of the slides and/or recording please email Haleigh or Liz.
- Please take a look at the open comment calls document. If you have opinions/thoughts please share with Haleigh and Liz. You can find that document here.

Election Update:

- Following the election on Tuesday here is what we know.
  - The House Republican's lost control of the Michigan House of Representatives. The House Democrats will return with the gavel and a 63-47 majority in January. The Senate Democrats expanded their majority and will return in January with 23 to 15 seat majority over the Senate Republicans. New leadership was announced in both chambers. In the House, Ranjeev Puri will be the next Speaker and the next Minority Leader will be Tom Kunse. In the Senate, the next Senate Majority Leader will be Darrin Camilleri and the Senate Minority Leader will be Roger Hauck.
  - For the statewide candidates, Jocelyn Benson will be the next Governor of the State of Michigan with Winnie Brinks as her Lt. Governor. Eli Savitt will be the next Attorney General and Garlin Gilchrist will be our new Secretary of State come January.
  - At the Congressional level, two incumbent Congressional members lost their bids for re-election - Congressman Bill Huizenga and Congressman Tom Barrett will not be returning to D.C. in January having lost their races. Replacing the two will be William Lawrence and Sean McCann. The U.S. House of Representatives will be controlled by the Democrats.
  - In the U.S. Senate, Abdul El-Sayed beat out Mike Rogers to replace Senator Gary Peters. The U.S. Senate will be controlled by the Democrats in 2027.

Discussion Items:

- ATM Debit Pin & Encryption Key Security Program Discussion

- Identification Discussion
  - Started as a discussion about complying with 12 U.S.C. § 1829c(b)(1-3) and whether or not keeping copies of ID's after the account opening process is complete is allowed or not.
  - The discussion then rolled into a conversation about how to verify individuals who don't have traditional ID's to be able to open accounts for them.
    - Third party or alternative methods exist for verifying that someone is who they say they are. Documentation in these instances is key.

- Bad Address Discussion
  - The group discussed how institutions are handling "bad addresses", when a members address is no longer valid.
  - A member of the group shared their address change procedures and returned mail procedures if you would like a copy of these documents, email Haleigh or Liz.

- Internal Audit Schedule Discussion
  - The group discussed internal audits and whether anyone had a table of the audits they are conducting and any rationale on "why" this audit is required similar to the training table in InfoSight360.
  - Many in the group are updating theirs and some offered to share theirs with the group.

- Non-Member ATM Deposit Return Discussion
  - Discussion centered around whether other credit unions are accepting or choosing not to accept non-member ATM deposits. Non-member deposits are causing losses at some credit unions so looking for ways to mitigate/stop.

- ChexSystem Discussion
  - The group discussed whether it is required for credit unions to report in the ChexSystem when they are closing the account for fraud even when there is no monetary loss to the credit union.