Community Bankers of Iowa
November 2014

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Regulatory Compliance Update
November 2014

Around the agencies

When there is a deadline associated with an item, you will see this graphic:

Joint agency issuances

Regulators approve mortgage risk retention rule

The OCC, Fed, FDIC, FHFA, SEC, and HUD jointly approved the qualified residential mortgage (QRM) rule[1], generally requiring sponsors of asset backed securities to retain five percent of the credit risk of the collateralizing assets and exempting securitized QRMs from the risk retention requirement.

The final rule aligned the requirements for loans to be considered QRMs with the earlier-approved definition of Qualified Mortgages (QMs), adopted by the CFPB. It also granted QRM status to mortgages backed by Fannie and Freddie. All loans underwritten to GSEs qualify for QM status.

Scrapped from the final rule was a provision which would have required a 20 percent down payment from the homeowner for the loan to attain QRM status.

Comment: Fannie Mae and Freddie Mac are exempt from the rules. Concerns remain among lenders that this could negatively affect on mortgage lending. The rule is effective one year after publication in the Federal Register for residential mortgage backed securities and two years after publication for all other classes of asset-backed securities.

FFIEC to hold EGRPRA outreach meetings

The OCC, FDIC, and the Fed (agencies) announced the first of a series of outreach meetings to review their regulations under the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGRPRA). The first outreach meeting will be held at the Los Angeles branch of the Federal Reserve Bank of San Francisco on December 2, 2014, but meetings will be held in Dallas, Boston, Chicago, and Washington, D.C., sometime in 2015.

EGRPRA requires the agencies, along with the FFIEC, to review their regulations at least every 10 years to identify outdated or otherwise unnecessary regulations. In June, the agencies published a notice in the Federal Register providing an opportunity to comment on three categories of regulations, and will request comment on the remaining categories over the next two years. The meetings will feature panel presentations by industry participants and consumer and community groups, as well as give interested persons an opportunity to present their views on any of the 12 categories of regulations listed in a June Federal Register notice.

Agencies issue FAQs on leveraged lending guidance

The FDIC, Fed, and the OCC are issuing responses to commonly asked questions[2] about the Interagency Guidance on Leveraged Lending[3] issued March 22, 2013. The Guidance is intended to help institutions strengthen risk management frameworks to ensure that leveraged lending activities do not heighten risk in the banking system through the origination and distribution of poorly underwritten and low-quality loans. The responses contained in the FAQs foster industry and examiner understanding and promote consistent application and implementation of the Guidance.

Comment: This applies to all FDIC supervised banks though few community institutions have exposure to leveraged credits. If this FAQ is helpful to your bank, forward it to your CEO, Chief Credit Officer, and Chief Risk Officer.

CFPB issuances

CFPB Finalizes Points and Fees Cure Provision

The CFPB finalized a limited "cure" provision[4] for lenders that originate Qualified Mortgages under the CFPB's rules, but later find that points and fees exceeded the 3% cap. Under the final rule, lenders will have 210 days to issue the excess plus interest and still maintain the legal protections afforded to QMs.

Comment: The 210 day cure period was extended from the proposed 120 day period, following pressure from community banking associations. Industry pressure also resulted in the removal of a subjective requirement that the loans be made in good faith.

CFPB issues 2015 lists of "rural" and "rural or underserved" counties

The CFPB issued its lists of "rural or underserved" (CSV | XLS | PDF) and "rural" (CSV | XLS | PDF) counties. These lists are released each year and are for use the following year.

- Escrow Requirements under the Truth in Lending Act rule (Escrows Rule)
- Ability to Repay and Qualified Mortgage Standards Under the Truth in Lending Act rule (ATR Rule)
- High-Cost Mortgage and Homeownership Counseling Amendments to the Truth in Lending Act rule (HOEPA rule)
- Appraisals for Higher-Priced Mortgage Loans

Comment: The CFPB is currently in the midst of a 2-year study to determine whether the definitions of "rural" and "underserved" can be refined. In 2013, to alleviate concerns and facilitate lending by small creditors while considering whether and how to refine the definitions, the CFPB amended several rules. Until January 10, 2016:

- ***Small creditors that do not operate predominately in counties on the CFPB's list can take advantage of the balloon QM provision if they meet other criteria.***
- ***Small creditors not operating in rural or underserved counties may take advantage of the exemption from high-cost mortgage balloon restrictions.***
- ***Creditors that operated predominantly in rural or underserved counties in 2012 (and also meet the other criteria and thus are eligible for the exemption during 2013) did not lose eligibility during 2014 as a result of any differences between the 2013 list and the 2014 list and will not lose eligibility as the result of any differences between the 2014 list and the 2015 list.***

CFPB updates two mortgage compliance guides

The CFPB has updated the Ability-to-Repay/Qualified Mortgage Compliance Guide and the RESPA and TILA Mortgage Servicing Rules. The adjustments include two changes that will help certain nonprofit organizations continue to provide mortgage credit and servicing to underserved populations. Other changes lay out limited circumstances where lenders that exceed the points and fees cap can pay a refund of the excess amount plus interest to consumers and still have the loan be considered a Qualified Mortgage. The updated guides were effective as of November 3.

Comment: The updates are to conform the guides to the latest amendments to ATR/QM and the mortgage servicing rules.

CFPB: FAQ webinar on TILA-RESPA Integrated Disclosures, Part 4 — Completing the Closing Disclosure

Although this Outlook Live Webinar[5] takes place before this issue of Capitol Comments was published (Tuesday, November 18, 2014), you should be able to watch and listen to a recording of the webinar.

This is the fourth in a series of discussions on the TILA-RESPA Integrated Disclosures rule. The CFPB plans to host these webinars periodically throughout implementation, regularly soliciting feedback and additional questions in the interim.

The session focused on issues related to how to complete the Closing Disclosure by addressing specific questions related to rule interpretation and implementation challenges that have been raised to the CFPB by creditors, mortgage brokers, settlement agents, software developers, and other stakeholders.

Comment: A recording will be available shortly after the webinar occurs. In fact, these webinars are so packed with information, it is probably best to listen to the recording so you can rewind and pause.

Bulletin helps lenders avoid fair lending issues with Social Security disability recipients

The CFPB issued a bulletin[6] to help lenders avoid imposing illegal burdens on consumers receiving disability income who apply for mortgages. The CFPB is reminding lenders that requiring unnecessary documentation from consumers who receive Social Security disability income may raise fair lending risk. The bulletin calls attention to standards and guidelines that may help lenders comply with the law, and help ensure that recipients of Social Security disability income receive fair and equal access to credit.

CFPB blogs

Social Security disability income shouldn't mean you don't qualify for a mortgage

Veterans: Take advantage of student loan forgiveness, but don't let it damage your credit

Live from Wilmington! (Field hearing on prepaid accounts.)

Prepaid products: New disclosures to help you compare options

Four things older Americans can do about debt collection problems

Save the date, Wilmington, DE! (Field hearing on prepaid accounts held November 13. A recording should be available.)

Final lists of rural and rural or underserved counties for use in 2015

Live from Long Beach! (Roundtable discussion on debt collection and the Latino community held on October 23. A recording should be available.)

Helping more consumers use our services in other languages

Federal Reserve issuances

Frequently asked questions on Volcker rule

While these frequently asked questions[7] regarding the Volcker rule apply to banking entities for which the Fed has jurisdiction under section 13 of the BHC Act, they have been developed by staffs of the Agencies and substantively identical versions will appear on the public websites of the OCC, FDIC, SEC, and CFTC.

Comment: Community banks do not have any compliance obligations under the Volcker rule if they do not engage in any covered activities other than trading in certain government, agency, State or municipal obligations. This Federal Reserve document[8] provides an overview of the final inter-Agency regulation implementing the Volcker Rule provision of the Dodd-Frank Act as it applies to banking entities with less than $10 billion in total consolidated assets.

Fed announces annual indexing of reserve requirements

The Fed announced the annual indexing of two amounts used in determining reserve requirements of depository institutions. These amounts are the reserve requirement exemption amount and the low reserve tranche. For net transaction accounts in 2015, the first $14.5 million, up from $13.3 million in 2014, will be exempt from reserve requirements. A 3 percent reserve ratio will be assessed on net transaction accounts over $14.5 million up to and including $103.6 million, up from $89.0 million in 2014. A 10 percent reserve ratio will be assessed on net transaction accounts in excess of $103.6 million. Final Rule[9] Press Release[10]

Reminder: 2014 Holiday Currency Special Ordering Information

The Federal Reserve Banks announced[11] they would process holiday currency special requests during two separate ordering periods. The first special ordering period was Friday, October 31 through Thursday, November 6 and the second will be Friday, December 5 through Thursday, December 11. All orders placed during the special ordering period must be picked up from the Federal Reserve's docks by the Friday following the last order day--Friday, December 12. Thus, you must ensure your institution has made appropriate transit accommodations, as no orders will be held over to the following week.

FDIC issuances

FDIC releases videos on Ability-to-Repay and Qualified Mortgage rule

The FDIC announced[12] the release of the first in a series of three new technical assistance videos developed to assist bank employees in meeting regulatory requirements. These new videos will address compliance with certain mortgage rules issued by the CFPB.

The first video covers the Ability to Repay and Qualified Mortgage Rule[13]. This video is intended for compliance officers and staff involved in ensuring the bank's mortgage lending operations comply with CFPB rules.

Comment: Two additional videos in this series will be released in the upcoming months. They will focus on the rules concerning mortgage servicing and loan originator compensation.

OCC issuances

Statement on risk management with MSBs

The OCC issued the "Statement on Risk Management Associated with Money Services Businesses[14]" to provide clarification to banks on the agency's supervisory expectations with regard to offering banking services to money services businesses.

Comment: To summarize, the statement says that: (1) the OCC doesn't tell banks whether to open, close or maintain accounts; (2) the OCC doesn't encourage termination of entire categories of accounts without regard to risks of the individual customer or the ability to manage that risk; (3) MSBs prevent differing risks; and (4) banks must assess an individual MSB's risk and implement controls.

OCC revised policy/procedures on Matters Requiring Attention

The OCC published revised policy and procedures for how it manages Matters Requiring Attention (MRA) resulting from its examination of supervised institutions. MRAs communicate specific supervisory concerns identified during examinations in writing to boards and management teams of regulated institutions. The updated guidance standardizes MRA terminology, format, follow-up, analysis, and reporting across the agency. The guidance addresses recommendations from the international peer review of the OCC's supervision of large and midsize institutions, which was conducted last year. (OCC Bulletin 2014-52[15])

Comment: As detailed in the updated guidance, MRAs:

- ***focus on deficient bank practices that are referred to as supervisory "concerns."***
- ***are the means by which supervisory concerns are communicated in writing to bank boards and management teams.***
- ***communicate one or more concerns using the "Five Cs" format:***
    - ***Concern***
    - ***Cause***
    - ***Consequence***
    - ***Corrective Action***
    - ***Commitment***
- ***must receive timely and effective corrective action by bank management and follow-up by examiners.***

Other federal agencies

NMLS annual renewal period ends December 31

The NMLS Annual Renewal Period began November 1 and ends December 31. Both institutions and most individual MLOs must be renewed through NMLS annually.

If the renewal process is not completed prior to December 31st, the MLO is placed in an "Inactive" registration status both in NMLS and on NMLS Consumer Access. Inactive registrations must be reactivated in order to have an "Active" registration status.

NMLS requires a $30 processing fee for each MLO seeking to renew or reactivate a registration. MLOs who are submitted for renewal but did not complete renewal attestation prior to December 31 need to be reactivated, incurring an additional $30 processing fee at the time of reactivation. See NMLS Processing Fees[16] and Paying by ACH[17] for additional information.

FinCEN Statement on Providing Banking Services to Money Services Businesses

The FinCEN, as the agency primarily responsible for administering the Bank Secrecy Act, issued a Statement[18] to reiterate expectations regarding banking institutions' obligations under the Bank Secrecy Act for money services businesses.

Comment: The Statement was issued in response to the wholesale termination of MSB accounts by a number of banks.

Publications, reports, studies, testimony & speeches

CFPB's *Supervisory Highlights*

The CFPB's *Supervisory Highlights*[19] highlights supervision work generally completed between March 2014 and June 2014. In this sixth edition, the CFPB shares recent supervisory observations, such as regulatory violations or unfair, deceptive, or abusive acts or practices (UDAAPs) in the areas of consumer reporting, debt collection, deposits, mortgage servicing, and student loan servicing. This edition also includes updated supervisory guidance about HMDA reporting. The findings reported here reflect information obtained by Supervision at the time of issuance of an examination report or supervisory letter.

Audit of FDIC's response to BSA/AML

This report[20] presents the results of an internal audit of the FDIC's response to BSA/AML concerns identified during examinations of FDIC-supervised financial institutions.

FDIC releases report on unbanked and underbanked

The FDIC released the results of the 2013 FDIC National Survey of Unbanked and Underbanked Households[21], the most comprehensive survey on the subject in the United States. The survey indicates that the proportion of unbanked households declined from 8.2 percent in 2011 to 7.7 percent in 2013, while the share of underbanked households remained essentially unchanged at 20.0 percent. The FDIC concluded that the decrease in the proportion of the unbanked can be explained by improving economic conditions and the changing demographic composition of households.

Comment: The Survey report drew three implications from the findings that could point the way toward better meeting consumers' needs:

- ***Develop strategies to help households maintain or renew banking relationships through economic transitions, such as job loss.***
- ***Explore opportunities to deploy and market checkless checking accounts and other options to meet the transactional needs of households; and***
- ***Integrate mobile banking initiatives with branch-based strategies in overall efforts to address consumers' needs.***

Financial Stability Board report on shadow banking

The Financial Stability Board (FSB) is publishing today its fourth annual Global Shadow Banking Monitoring Report.[22] The report presents data as of end-2013 from 25 jurisdictions and the euro area as a whole, covering about 80% of global GDP and 90% of global financial system assets.

Comment: The broadest measure, referred to as the Monitoring Universe of Non-Bank Financial Intermediation (MUNFI), grew by $5 trillion in 2013 to reach $75 trillion. This measure is based on the financial assets of Other Financial Intermediaries (OFIs) and captures all non-bank financial intermediation where shadow banking-related risks to the financial system might potentially arise. Globally, MUNFI assets represent on average about 25% of total financial assets, roughly half of banking system assets. MUNFI assets grew by 7% in 2013 (adjusted for foreign exchange movements), driven in part by a general increase in valuation of global financial markets. In contrast total bank assets were relatively stable.

FFIEC releases cybersecurity assessment observations and recommends FS-ISAC participation

The FFIEC released observations from the recent cybersecurity assessment and recommended regulated financial institutions participate in the Financial Services Information Sharing and Analysis Center (FS-ISAC).
During the summer of 2014, FFIEC members piloted a cybersecurity assessment at more than 500 community institutions to evaluate the institutions' preparedness to mitigate cybersecurity risks. The assessment supplemented regularly scheduled exams and built upon key supervisory expectations contained within existing FFIEC information technology handbooks and other regulatory guidance. The "FFIEC Cybersecurity Assessment General Observations[23]" provides themes from the assessment and suggests questions that chief executive officers and boards of directors may consider when assessing their institutions' cybersecurity preparedness.
Cybersecurity Threat and Vulnerability Monitoring and Sharing Statement[24] Press Release[25]

Comment: The FFIEC recommends that financial institutions of all sizes participate in the FS-ISAC as part of their process to identify, respond to, and mitigate cybersecurity threats and vulnerabilities. Financial institution management is expected to monitor and maintain sufficient awareness of cybersecurity threats and vulnerability information so that they may evaluate risk and respond accordingly.

Fed Focus

The November edition of FedFocus[26] includes the following articles:

- The Federal Reserve Banks announce 2015 pricing and products
- Fedline Access Solutions: Are you taking advantage of the risk management tools provided by your FedLine connection? Full Article
- FedCash Services: New Currency Education Program resource available in 23 languages
- EducationEvents and Education: Take time for yourself before the flurry of holiday festivities begins

FedFlash

FedFlash[27] is operational news from the Federal Reserve banks.

Fed publishes report on bank charge-offs and delinquency rates

The Fed published a report[28] on charge-off and delinquency rates on loans and leases at commercial banks.

Fed publishes report on young workers

The Federal Reserve Board on Tuesday published a new report, based on its 2013 Survey of Young Workers, that provides insight into numerous labor market topics, including the educational attainment, work experience, and expectations of adults aged 18 to 30. In the Shadow of the Great Recession: Experiences and Perspectives of Young Workers[29], takes an in-depth look at the experiences and aspirations of young adults entering the workforce.

Federal agency rulemaking:

Selected final rules since last Capitol Comments

Regulators approve mortgage risk retention rule

The OCC, Fed, FDIC, FHFA, SEC, and HUD jointly approved the qualified residential mortgage (QRM) rule[30], generally requiring sponsors of asset backed securities to retain five percent of the credit risk of the collateralizing assets and exempting securitized QRMs from the risk retention requirement. Read more about this above in the "Joint agency issuances" section.

CFPB Finalizes Points and Fees Cure Provision

The CFPB finalized a limited "cure" provision[31] for lenders originating a Qualified Mortgage under the Bureau's rules but later finds that points and fees exceeded the 3% cap. Read more about this above in the "CFPB issuances" section.

Selected upcoming final federal rule compliance dates

11.30.2014	Servicemembers Civil Relief Act Notice Disclosure, Form HUD-92070[32], expires. This form is required to notify homeowners in default of their mortgage of the foreclosure rights of servicemembers and their dependents under SCRA. Presumably, a new form will be available in time.
01.01.2015	Reg. Z annual threshold adjustments. The CFPB issued a final rule[33] amending the regulatory text and official interpretations for Regulation Z. The CFPB must calculate annually the dollar amounts for several provisions in Regulation Z. This final rule reviews the dollar amounts for provisions implementing amendments to TILA under the CARD Act, HOEPA, and the Dodd-Frank Act.
01.01.2015	Basel III.[34] The FDIC has issued an interim final rule that revises the existing capital rules to incorporate certain revisions to the Basel capital framework, including Basel III and other elements. The interim final rule strengthens the definition of regulatory capital, increases risk-based capital requirements, and makes selected changes to the calculation of risk-weighted assets. Basel III Framework is effective 1/1/2014 for large, internationally active insured depository institutions and is effective 1/1/2015 for all other insured depository institutions, subject to a transition period. Standardized Approach is effective 1/1/2015 for all insured depository institutions Applicability: The rule applies to all FDIC-supervised banks and savings associations. Publication Reference: FIL-31-2013 dated 7/9/2013. Also See: New Capital Rule-Community Bank Guide attached to FIL-13-2013 Informational video and expanded summary on the interim final rule at: www.fdic.gov/regulations/capital. FDIC Press Release PR-60-2013 dated 7/9/2013

08.01.2015 CFPB: Final integrated Mortgage Disclosures Under the RESPA (Reg. X) and the Truth In Lending Act (Reg. Z)[35] Notice of final rule and official interpretations. CFPB blog on the disclosure.

Comment: Distribute this calendar to your CEO, CFO, Compliance Officer, and Operations Officer.

Selected final federal rule compliance dates from the past 12 months

Our list of past final rule effective dates is limited to 12 months. To see the document "Selected Past Final Federal Rules," containing future and past selected final rules, click here.

11.17.2014 The CFPB amended subpart B of Regulation E, which implements the Electronic Fund Transfer Act, and the official interpretation to the regulation (Remittance Rule). This final rule[36] extends a temporary provision that permits insured institutions to estimate certain pricing disclosures pursuant to section 1073 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Absent further action by the Bureau, that exception would have expired on July 21, 2015. Based on a determination that the termination of the exception would negatively affect the ability of insured institutions to send remittance transfers, the Bureau is extending the temporary exception by five years from July 21, 2015, to July 21, 2020. The Bureau is also making several clarifications and technical corrections to the regulation and commentary.

11.10.2014 CFPB finalized a rule[37] to allow financial institutions to use an alternative delivery method to provide annual privacy notices through posting the annual notices on their websites if they meet certain conditions. Specifically, financial institutions may use the alternative delivery method for annual privacy notices if:

- no opt-out rights are triggered by the financial institution's information sharing practices under GLBA or FCRA section 603, and opt-out notices required by FCRA section 624 have previously been provided, if applicable, or the annual privacy notice is not the only notice provided to satisfy those requirements;
- the information included in the privacy notice has not changed since the customer received the previous notice; and
- the financial institution uses the model form provided in Regulation P as its annual privacy notice

11.03.2014 The CFPB amended[38] certain mortgage rules issued in 2013. The final rule provides an alternative small servicer definition for nonprofit entities that meet certain requirements and amends the existing exemption from the ability-to-repay rule for nonprofit entities that meet certain requirements. The final rule also provides a limited, post-consummation cure mechanism for loans that exceed the points and fees limit for qualified mortgages, but that meet the other requirements for being a qualified mortgage at consummation.

07.01.2014 Foreign Tax Compliance Act. FATCA targets noncompliance by U.S. citizens of tax obligations using foreign accounts. FATCA seeks information on accounts held in other countries by U.S. taxpayers. Governments can either permit their Foreign Financial Institutions to entire into agreements with the IRS to provide information or they can enter into one of two alternative Model Intergovernmental Agreements with the U.S. Treasury's FATCA page[39]. List of FATCA agreements in effect.[40]

04.01.2014 Treatment of Certain Collateralized Debt Obligations Backed Primarily by Trust Preferred Securities with Regard to Prohibitions and Restrictions on Certain Interests in, and Relationships with, Hedge Funds and Private Equity Funds (TruPs Amendment to Volcker Rule)[41] The OCC, Board, FDIC, CFTC and SEC are each adopting a common interim final rule that would permit banking entities to retain investments in certain pooled investment vehicles that invested their offering proceeds primarily in certain securities issued by community banking organizations of the type grandfathered under section 171 of the Dodd - Frank Wall Street Reform and Consumer Protection Act ("Dodd - Frank Act"). The interim final rule is a companion rule to the final rules adopted by the Agencies to implement section 13 of the Bank Holding Company Act of 1956 ("BHC Act") , which was added by section 619 of the Dodd-Frank Act

04.01.2014 OCC, Fed, FDIC, and SEC: Prohibitions and Restrictions on Proprietary Trading and Certain Interests in, and Relationships with, Hedge Funds and Private Equity Funds (the Volcker Rule) [42] The Agencies adopted a rule that would implement section 13 of the BHC Act, which was added by section 619 of the Dodd-Frank Act." Section 13 contains certain prohibitions and restrictions on the ability of a banking entity and nonbank financial company supervised by the Board to engage in proprietary trading and have certain interests in, or relationships with, a hedge fund or private equity fund. Statement by Chairman Ben S. Bernanke.Statement by Governor Daniel K. Tarullo. Final Rule - Preamble (7.2 MB PDF). Fact Sheet (PDF). Community Bank Guide (PDF).

03.31.2014 Basel III Conforming Amendments Related to the Cross-References, Subordinated Debt, and Limits Based on Regulatory Capital The OCC issued an interim final rule with request for comments (final rule) that makes technical and conforming amendments to its regulations governing national banks and federal savings associations. The final rule amends various regulations in order to make those regulations consistent with the recently adopted Basel III Capital Framework. The Basel III final rule revised the OCC's regulatory capital rules, adding a new common equity tier 1 requirement, revising the definitions of tier 1 and tier 2 capital, and integrating federal savings associations into 12 CFR part 3 and 12 CFR part 6 (Prompt Corrective Action). The final rule makes technical, clarifying, and conforming amendments to the OCC's rules, by providing cross-references to new capital rules, where necessary, and deleting obsolete references. The final rule also makes changes to subordinated debt rules to clarify the requirements subordinated debt must meet and the procedures required to issue and redeem subordinated debt. EFFECTIVE DATE: March 31, 2014. Comments must be received by March 31, 2014.

01.18.2014 CFPB, FRB, FDIC, FHFA, NCUA, and OCC: Appraisals for Higher-Priced Mortgage Loans[43] Federal Banking Regulators: Appraisals for Higher-Priced Mortgage Loans – Supplemental Final Rule[44] Alternative provisions regarding manufactured home loans are effective July 18, 2015, as indicated in the Supplementary Information, regulation text and Official Staff Commentary. Disclosure and Delivery Requirements for Copies of Appraisals and Other Written Valuations Under ECOA/Regulation B[45]

01.13.2014 SEC: Registration of Municipal Advisors[46] The SEC adopted new Rules 15Ba1-1 through 15Ba1-8, new Rule 15Bc4-1, and new Forms MA, MA-I, MA-W, and MA-NR under the Exchange Act. These rules and forms are designed to give effect to provisions of Title IX of the Dodd-Frank Act that, among other things, require the Commission to establish a registration regime for municipal advisors and impose certain record-keeping requirements on such advisors.

01.10.2014 Homeownership Counseling Organizations Lists Interpretive Rule[47] This rule describes data instructions for lenders to use in complying with the requirement under the High-Cost Mortgage and Homeownership Counseling Amendments to the Truth in Lending Act (Regulation Z) and Homeownership Counseling Amendments to RESPA Final Rule to provide a homeownership counseling list using data made available by the CFPB or HUD.

01.10.2014	HUD: Qualified Mortgage Definition for HUD Insured and Guaranteed Single Family Mortgages[48] Through this final rule, HUD establishes a definition of "qualified mortgage" for the single family residential loans that HUD insures, guarantees, or administers that aligns with the statutory ability-to-repay criteria of the TILA and the regulatory criteria of the definition of "qualified mortgage" promulgated by the CFPB).
01.10.2014	CFPB: Amendments to the 2013 Mortgage Rules under the RESPA (Regulation X) and the TILA (Regulation Z) This rule amends provisions in Regulation Z and final rules issued by the CFPB in 2013, which, among other things, required that consumers receive counseling before obtaining high-cost mortgages and that servicers provide periodic account statement s and rate adjustment notices to mortgage borrowers, as well as engage in early intervention when borrowers become delinquent. The amendments clarify the specific disclosures that must be provided before counseling for high-cost mortgages can occur, and proper compliance regarding servicing requirements when a consumer is in bankruptcy or sends a cease communication request under the Fair Debt Collection Practices Act. The rule also makes technical corrections to provisions of other rules. The Bureau requests public comment on these changes.
01.10.2014	CFPB: Loan Originator Compensation Requirements Under TILA/Regulation Z[49] There are a number of effective dates—consult the compliance guide[50] for details. Amendments to §1026.36(h) and (i), which are a prohibition on financing credit insurance in connection with consumer credit transactions secured by a dwelling, and which were to be effective on June 1, 2013, will now be effective on January 10, 2014 after clarifications are adopted. Click here[51] to read the notice of the delay of the effective date. There are a number of effective dates—consult the compliance guide[52] for details.
01.10.2014	CFPB: RESPA/Regulation X and TILA/Regulation Z Mortgage Servicing[53] RESPA final rule includes servicer's' obligations to correct errors asserted by mortgage loan borrowers; provide certain information requested by such borrowers; and provide protection to such borrowers in connection with force-placed insurance. The Reg. Z final rule includes initial rate adjustment notices, periodic statements for residential mortgage loans, crediting of mortgage payments; and responses to requests for payoff amounts. This final rule was further corrected, clarified, and amended: CFPB finalizes corrections, clarifications, and amendments to mortgage rules[54]: ●Clarifies how to determine a consumer's debt-to-income (DTI) ratio: ●Explains that CFPB's RESPA rule does not preempt the field of servicing regulation by states. ●Establishes which mortgage loans to consider in determining small servicer status. ●Clarifies the eligibility standard of the temporary QM provision.
01.10.2014	CFPB: Clarifications to the 2013 Mortgage Rules under the Equal Credit Opportunity Act (Regulation B), Real Estate Settlement Procedures Act (Regulation X), and the Truth in Lending Act (Regulation Z) Among other things, these amendments: ●Clarify what servicer activities are prohibited in the first 120 days of delinquency; ●Facilitate servicers' offering of short-term forbearance plans; ●Clarify best practices for informing borrowers about the address for error resolution documents; ●Facilitate lending in rural and underserved areas, while the CFPB is reexamining the rural and underserved definitions, by: 1) Exempting all small creditors from a new ban on high-cost mortgages featuring balloon payments so long as certain restrictions are met; and 2) making it easier for certain small creditors to continue to qualify for an exemption from a requirement to maintain escrows on certain HPMLs; ●Make clarifications about financing of credit insurance premiums; ●Clarify the definition of a loan originator; ●Clarify the points and fees thresholds and loan originator compensation rules for manufactured housing employees; ●Revise effective dates of many loan originator compensation rule provisions.
01.10.2014	CFPB: Ability to Repay (ATR) and Qualified Mortgage (QM) Standards under TILA/Regulation Z[55]
01.10.2014	CFPB: High-Cost Mortgage and Homeownership Counseling Amendments to TILA/Regulation Z and Homeownership Counseling Amendments to RESPA/Regulation X[56] implements Dodd-Frank

Act amendments to TILA and RESPA. Expands the types of mortgage loans subject to the protections of HOEPA, revises and expands the tests for coverage under HOEPA, and imposes additional restrictions on mortgages that are covered by HOEPA, including a pre-loan counseling requirement.

01.03.2014	FinCEN and Fed: Definitions of Transmittal of Funds and Funds Transfer[57] FinCEN and the Fed are issuing this Final Rule amending the regulatory definitions of "funds transfer" and "transmittal of funds" under the regulations implementing the BSA. They are amending the definitions to maintain their current scope in light of changes to the EFTA, which will avoid certain currently covered transactions being excluded from BSA requirements.
01.01.2014	FDIC: Interim rule revising risk-based and leverage capital requirements[58] The FDIC adopted an interim final rule that revises its risk-based and leverage capital requirements for FDIC-supervised institutions. This interim final rule is substantially identical to a joint final rule issued by the OCC and the Federal Reserve (together, with the FDIC, the agencies).
01.01.2014	Fed: Regulatory Capital Rules (Basel III)[59] The Fed approved a Basel III final rule. The final rule minimizes burden on smaller, less complex financial institutions. For more details, refer to the Federal Reserve's Press Release[60]. The FDIC Board of Directors approved an interim final rule[61] that adopts with revisions the three notices of proposed rulemaking (NPRs) that the banking agencies proposed last year related to Basel III and the standardized approach. The FDIC Board also approved a joint interagency Notice of Proposed Rulemaking[62] to strengthen the supplementary leverage requirements for the largest most systemically important banking organizations. The OCC announced (NR 2013-110[63]) that it approved a final rule revising regulatory capital rules applicable to national banks and federal savings associations.
11.04.2013	Final rule prohibiting issuing credit card unless ability to make payments is considered (Reg. Z)
10.28.2013	CFPB: Final Consumer protection rule on international remittances (Reg. E) This rule was followed by a clarification: CFPB Final Rule: Clarificatory amendment and technical correction to a final rule and official interpretation of disclosures for remittance transactions (Reg. E)

How to submit comments to your federal regulators:

Office of the Comptroller of the Currency: Because paper mail in the Washington, DC area and at the OCC is subject to delay, commenters are encouraged to submit comments by the Federal eRulemaking Portal or e-mail, if possible. Please use the title in the Federal Register publication of the proposal. You may submit comments by any of the following methods:

- Federal eRulemaking Portal—Regulations.gov: Go to
- http://www.regulations.gov . Select "Document Type" of "Proposed Rule", and in "Enter Keyword or ID Box", enter the docket number found in the Federal Register publication of the proposed rule and click "Search." On "View By Relevance" tab at bottom of screen, in the "Agency" column, locate the proposed rule for OCC, in the "Action" column, click on "Submit a Comment" or "Open Docket Folder" to submit or view public comments and to view supporting and related materials for this proposed rule.
- Click on the "Help" tab on the Regulations.gov home page to get information on using Regulations.gov, including instructions for submitting or viewing public comments, viewing other supporting and related materials, and viewing the docket after the close of the comment period.

- E-mail: regs.comments@occ.treas.gov
- Mail: Office of the Comptroller of the Currency, 250 E Street, SW., Mail Stop 2-3, Washington, DC 20219.
- Fax: (202) 874-5274.
- Hand Delivery/Courier**:** 250 E Street, SW., Mail Stop 2-3, Washington, DC 20219.

Instructions: You must include "OCC" as the agency name and the docket number in your comment. In general, OCC will enter all comments received into the docket and publish them on the Regulations.gov Web site without change, including any business or personal information that you provide such as name and address information, e-mail addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure.

Do not enclose any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Board of Governors of the Federal Reserve System: You may submit comments, identified by the docket number and the RIN number found in the Federal Register publication of the rule proposal, by any of the following methods:

- Agency Web Site: http://www.federalreserve.gov. Follow the instructions for submitting comments at http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm.
- Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include the docket number and RIN number in the subject line of the message.
- Fax: (202) 452-3819 or (202) 452-3102.
- Mail: Address to Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551.

Federal Deposit Insurance Corporation: You may submit comments, identified by RIN number, by any of the following methods:

- Agency Web Site: http://www.FDIC.gov/regulations/laws/federal/propose.html. Follow instructions for submitting comments on the Agency Web Site.
- E-mail**:** Comments@FDIC.gov. Include the RIN number on the subject line of the message.
- Mail**:** Robert E. Feldman, Executive Secretary, Attention: Comments, Federal Deposit Insurance Corporation, 550 17th Street, NW, Washington, DC 20429.
- Hand Delivery**:** Comments may be hand delivered to the guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7:00 a.m. and 5:00 p.m.

Instructions: All comments received must include the agency name and RIN for this rulemaking and will be posted without change to
http://www.fdic.gov/regulations/laws/ federal/propose.html, including any personal information provided.

Consumer Financial Protection Bureau: You may submit comments, identified by docket number, by any of the following methods:

- Electronic: http://www.regulations.gov. Follow the instructions for submitting comments.
- Mail: Monica Jackson, Office of the Executive Secretary, Consumer Financial Protection Bureau, 1500 Pennsylvania Ave. NW., (Attn: 1801 L Street), Washington, DC 20220.
- Hand Delivery/Courier in Lieu of Mail: Monica Jackson, Office of the Executive Secretary, Consumer Financial Protection Bureau, 1700 G Street NW., Washington, DC 20006.

Instructions: The CFPB encourages the early submission of comments. All submissions must include the document title and docket number. Please note the number of the question to which you are responding at the top of each response (respondents need not answer each question). In general, all comments received will be posted without change to http://www.regulations.gov. In addition, comments will be available for public inspection and copying at 1700 G Street NW., Washington, DC 20006, on official business days between the hours of 10 a.m. and 5 p.m. Eastern Time. You can make an appointment to inspect the documents by telephoning (202) 435-7275. All comments, including attachments and other supporting materials, will become part of the public record and subject to public disclosure. Sensitive personal information such as accouni8ik2t numbers or Social Security numbers should not be included. Comments will not be edited to remove any identifying or contact information.

Common words, phrases, and acronyms

APOR	"Average Prime Offer Rates" are derived from average interest rates, points, and other pricing terms offered by a representative sample of creditors for mortgage transactions that have low-risk pricing characteristics.
ATM	Automated Teller Machine
CARD Act	Credit Card Accountability Responsibility and Disclosure Act of 2009
CFPB	Consumer Financial Protection Bureau
CFR	Code of Federal Regulations. Codification of rules and regulations of federal agencies.
CRA	Community Reinvestment Act. This Act is designed to encourage loans in all segments of communities.
CRE	Commercial Real Estate
CSBS	Conference of State Bank Supervisors
CTR	Currency Transaction Report. Filed for each deposit, withdrawal, exchange of currency that involves a transaction in currency of more than $10,000.
Dodd-Frank Act	The Dodd–Frank Wall Street Reform and Consumer Protection Act
DOJ	Department of Justice
FDIC	Federal Deposit Insurance Corporation
EFTA	Electronic Fund Transfer Act
Federal bank regulatory agencies	FDIC, FRB, and OCC
Federal financial institution regulatory agencies	CFPB, FDIC, FRB, NCUA, and OCC
FEMA	Federal Emergency Management Agency
FFIEC	Federal Financial Institutions Examination Council
FHFA	Federal Housing Finance Agency
FHA	Federal Housing Administration
FinCEN	Financial Crime Enforcement Network

FR	Federal Register. U.S. government daily publication that contains proposed and final administrative regulations of federal agencies.
FRB (or Fed)	Federal Reserve Board
FSOC	Financial Stability Oversight Council
FTC	Federal Trade Commission
GAO	Government Accountability Office
HARP	Home Affordable Refinance Program
HAMP	Home Affordable Modification Program
HMDA	Home Mortgage Disclosure Act
HOEPA	Home Ownership and Equity Protections Act of 1994
HPML	Higher Priced Mortgage Loan
HUD	U.S. Department of Housing and Urban Development
IRS	Internal Revenue Service
MLO	Mortgage Loan Originator
MOU	Memorandum of Understanding
NFIP	National Flood Insurance Program. U.S. government program to allow the purchase of flood insurance from the government.
NMLS	National Mortgage Licensing System
OCC	Office of the Comptroller of the Currency
OFAC	Office of Foreign Asset Control
OREO	Other Real Estate Owned
QRM	Qualified Residential Mortgage
Reg.	Abbreviation for "Regulation" – A federal regulation. These are found in the CFR.
Reg. B	Equal Credit Opportunity
Reg. C	Home Mortgage Disclosure
Reg. DD	Truth in Savings
Reg. E	Electronic Fund Transfers
Reg. G	S.A.F.E. Mortgage Licensing Act
Reg. P	Privacy of Consumer Financial Information
Reg. X	Real Estate Settlement Procedures Act
Reg. Z	Truth in Lending
RESPA	Real Estate Settlement Procedures Act
SAR	Suspicious Activity Report – Report financial institutions file with the U.S. government (FinCEN) regarding activity that may be criminal in nature.
SDN	Specially Designated National
TILA	Truth in Lending Act
TIN	Tax Identification Number
Treasury	U.S. Department of Treasury

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