

Update

Congressional Virtual Visits

Join the Nebraska Bankers Association in March for member-only virtual visits with select members of Nebraska's congressional delegation.

- March 3, 11:00 a.m. CST – Senator Deb Fischer
- March 10, 11:00 a.m. CST – Congressman Adrian Smith
- March 17, 11:00 a.m. CDT – Senator Ben Sasse
- March 31, 11:00 a.m. CDT – Congressman Don Bacon



*Senator Deb Fischer during last summer's
NBA virtual town hall.*

Each member plans to discuss the current policy and economic climate as well as previewing the political environment in Washington, D.C. They would also like to hear from NBA member constituents about how the coronavirus is impacting Nebraska banks, their customers, and communities. This meeting is a chance to share your thoughts and concerns with our delegation.

Advance registration is required.

[Register](#)

2021 Compensation & Benefits Survey

Whether your bank is large or small, rural or urban, hiring and retaining the best people is an ongoing challenge. A fair, competitive compensation and benefits policy is critical to the success of your institution. To assist with your human resources strategy, the NBA asks all member banks to participate in the Association's 2021 Compensation & Benefits Survey.

The NBA has joined forces with RCS & Associates to develop, tabulate and report the Compensation & Benefits Survey. Data is collected by asset size and region and includes supplemental compensation such as bonuses and commissions. The summary will include comparative data using results from both Nebraska and Kansas institutions to further enhance the value of the survey.

Last year, we experienced an impressive participation rate of nearly 50%. The NBA would like to see this positive response again in 2021. As a result, member banks that complete and return their surveys by the deadline will receive an opportunity to purchase the results for 65% off the non-participant price. Member institutions that participate in the survey may obtain the results in printed or electronic format for \$99 (\$250 for non-participants). Applicable sales tax will be added to all orders.

Surveys must be completed by March 15. Results will be sent in June. All bank CEOs received an email notification this week with a fillable survey attachment. If you have questions about the survey, please contact Matt at mattr@rcsassociates.com or the NBA Education Center at (402) 474-1555.

Paycheck Protection Program Updates

Hold Codes and Compliance Check Error Messages

The SBA released a procedural notice on PPP platform procedures to address hold codes on First Draw PPP loan applications for Second Draw borrowers and compliance check error messages on both First and Second Draw loans.

[Read the Notice](#)

PPP Processing Fees

The SBA issued an updated procedural notice regarding PPP processing fees and collections. For first-draw PPP loans made on or after Dec. 27, 2020, lenders will receive processing fees in the following amounts: 50% or \$2,500, whichever is less, for loans of not more than \$50,000; 5% for loans of more than \$50,000 and not more than \$350,000; 3% for loans of more than \$350,000 and less than \$2 million; and 1% for loans of at least \$2 million. For second-draw PPP loans, lenders will receive a 50% processing fee or \$2,500, whichever is less, for loans of not more than \$50,000; a 5% processing fee for loans of more than \$50,000 and not more than \$350,000; and a 3% processing fee for loans above \$350,000. Lenders should use SBA Form 1502 to report fully disbursed loans to SBA within 10 calendar days after disbursement.

[Read the Notice](#)

Director, Shareholder Rule

The Federal Reserve extended through March 31, a temporary exemption from Regulation O to allow bank directors and shareholders to receive PPP loans from their related banks.

[Access the Data](#)

Loan Data

As of Feb. 7, 1.3 million PPP loans totaling \$100.9 billion have been approved by the SBA in 2021. Banks account for 93% of these loans. Half of the PPP funds have gone to businesses in accommodation and food services; professional, scientific and technical services; the construction sector; and manufacturing. In Nebraska, 27,382 loans were approved totaling \$953 million.

[Access the Data](#)

SBA Sending EIDL Reconciliation Payments

In a message to lenders, the SBA announced it has begun remitting reconciliation payments for any recipient with an SBA forgiveness payment reduced by the amount of an Economic Injury Disaster Loan (EIDL) advance. Lenders must notify borrowers of the reconciliation payment, and that they are responsible for re-amortizing the loan. Lenders must also notify the borrower of either the amount of the next payment due or that the loan has been paid in full.

Foreclosure, Eviction Moratorium Extended

The Federal Housing Finance Agency announced it would extend a moratorium on foreclosures and real estate owned evictions for single-family mortgages backed by Fannie Mae or Freddie Mac to March 31, 2021.

[Learn More](#)

FedNow to Launch in 2023

The Federal Reserve announced its FedNow service will launch in 2023. The initial launch will include core clearing and settlement functionality, as well as other features such as a request-for-payment capability and tools to support participants in their handling of payment inquiries, reconciliations and certain exceptions.

[Learn More](#)

Fed Survey of Small Business Credit During COVID-19

The Federal Reserve released results from its latest Small Business Credit Survey conducted last year between September and October. Some of the key findings from the survey:

- 64% of survey respondents said they would apply for additional government-provided assistance, and of that, 39% believe it is unlikely their business would survive without further assistance until sales return to normal.
- 95% of small firms said that the coronavirus pandemic affected their business, with 26% reporting temporary closures, 56% reporting reductions in operations and another 48% reporting modifications to their operations.
- 65% of businesses said they were facing challenges meeting operating expenses, while 44% struggled to make payments on debt and 43% struggled to pay rent.
- 80% of PPP recipients said they expect their loan to be forgiven in full.
- 48% of PPP borrowers applied for funds through a small bank, while 43% applied to a large bank, 9% used an online lender, and 5% used a credit union.
- Borrowers also had the most success with receiving a PPP loan from a small bank (78%), compared to large banks (70%), online lenders (47%), credit unions (63%), finance companies (41%), and community development financial institutions (44%).

[Read the Report](#)

Training Opportunities

Health Savings Account Seminar - Feb. 12

This half-day seminar gives attendees a foundation of HSA knowledge. Exercises are included to help participants apply information to real-world scenarios. Attendees will leave this session able to confidently process basic HSA transactions. This is a beginner's session; no previous HSA knowledge is assumed.

[Details and Registration](#)

Operations Conference - Feb. 24-25

Digital transformation and pandemic security considerations are two of the sessions during day one that will help bank technology professions stay up to date in 2021. Day two focuses on marketing and retail banking and includes sessions on leading change and driving innovation.

[Details and Registration](#)

Supervisor Bootcamp - Mar. 2, 4, 16, 18

This four-session supervisor training will help elevate supervisors' expertise to a new level as they learn how to collaborate and coach employees to excel on the job.

[Details and Registration](#)

Principles of Banking Seminar - Mar. 9-10

This interactive workshop introduces participants to each functional area of community banking, with informative exchanges with other attendees and the instructor's actual work experience.

[Details and Registration](#)

Tri-State Marketing & Humans Resources Conference - Mar. 18-19

Sponsored by the Kansas, Missouri and Nebraska Bankers Associations, this two-day virtual conference will give bank marketers and human resources professionals new tools be able to better serve their bank.

[Details and Registration](#)

New .Bank Domains Available in March

Starting on March 1, a set of [common community names](#) for the .bank domain will be open for application from fTLD Registry Services, which oversees the domain. Names such as thefirststate.bank and security.bank will be available on a first-come, first-served basis for applicants that meet eligibility requirements.

[Learn More](#)



CDFI Partnerships Webinar

The Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Federal Reserve Banks of Chicago and Kansas City will conduct a webinar on March 23, 2021, at 1:00 p.m. CST. The organizations encourage partnerships between government, community-based organizations, and banks to support existing, and encourage the organization of, new community development financial institutions (CDFIs) throughout Iowa and Nebraska. The webinar will highlight ways banks can support CDFIs to implement meaningful community development projects.

[Learn More](#)

Compliance Alliance

Q: Our residential loan department is originating loans which are investment properties/non-owner occupied. Would the bank be required to report the rate spread for HMDA purposes?

A: If the bank has determined that the loan is not subject to Reg. Z because it is primarily business or commercial purpose, then the rate spread would be reported as NA for HMDA purposes. On the other hand, if the bank has determined that this loan purpose is not primarily business purpose, then the rate spread would be reported for HMDA purposes, assuming no other exceptions apply.

Reference:

7. Rate spread - scope of requirement. If the covered loan is an assumption, reverse mortgage, a purchased loan, or is not subject to Regulation Z, 12 CFR part 1026, a financial institution complies with § 1003.4(a)(12) by reporting that the requirement is not applicable. If the application did not result in an origination for a reason other than the application was approved but not accepted by the applicant, a financial institution complies with § 1003.4(a)(12) by reporting that the requirement is not applicable. For partially exempt transactions under § 1003.3(d), an insured depository institution or insured credit union is not required to report the rate spread. See § 1003.3(d) and related commentary.

<https://www.consumerfinance.gov/policy-compliance/rulemaking/regulations/1003/Interp-4/#4-a-12-Interp-7>

Not a member? Learn more about membership with Compliance Alliance by attending one of our live demos:

- [Live Demo on Thursday, Feb. 11, 1:00 p.m. CT](#)
- [Live Demo on Tuesday, Feb. 16, 10:00 a.m. CT](#)

Compliance Alliance offers a comprehensive suite of compliance management solutions. To learn how to put them to work for your bank, call (888) 353-3933 or email info@compliancealliance.com and ask for our membership team.