

Update

Compliance Options for Members

The NBA is pleased to announce a new compliance option for members. The NBA Board of Directors recently approved an expansion of the existing partnership with Compliance Alliance (C/A) to offer access to compliance audit services through Review Alliance (R/A) and a new Virtual Compliance Officer (VCO) program.

R/A can help streamline your bank's compliance review process. R/A staff are highly trained and certified and offer a risk-based approach to compliance testing. They work with your bank's staff to develop a custom process that fits your bank's review cycle. Bank compliance review services provided by R/A include BSA/AML, deposit, lending, ACH, information technology and more.

VCO is a shared service option for banks. The VCO provides monthly monitoring and reporting, bank-specific policy and procedural guidance. Your bank still maintains a staff member as a compliance officer but the VCO solves the challenge of finding a full-time compliance staff member. Federal regulators are supportive of shared service options like VCO.

C/A and R/A are part of Bankers Alliance, a holding company owned by 29 state bankers associations, including the NBA.

For more information, contact Richard Baier at richard.baier@nebankers.org or Jennifer Heaton at jennifer.heaton@nebankers.org or visit the [NBA website](http://www.nebankers.org).



**COMPLIANCE
ALLIANCE**



**R E V I E W
ALLIANCE**



**BANKERS
ALLIANCE**

NBA Annual Meeting Registration Open

Registration is open for the NBA annual meeting. This free event will be held virtually May 5 at 11:30 a.m. CDT. After the annual meeting, stay tuned for an update on the federal policy climate for the banking industry.

We're looking forward to seeing you in person at the NBA Annual Convention "Lite" Oct. 6-7 in Lincoln. Contact the NBA Education Center at 402-474-1555 or nbaeducation@nebankers.org with questions.

[Register](#)

SBA Extension Notice, Eligibility for Borrowers in Bankruptcy

The Small Business Administration (SBA) issued a procedural notice to lenders regarding the extension of the Paycheck Protection Program (PPP). SBA will shut down its PPP platform to new loan guaranty applications at 12:00 a.m. EDT on June 1. SBA will then have an additional month to process any pending applications, before shutting down processing at 12:00 a.m. EDT on July 1. The SBA also issued an update to its frequently asked questions on PPP. The new answer provides clarity regarding when an applicant or owner is no longer considered to be “presently involved in any bankruptcy” for PPP loan eligibility purposes.

[Read the Procedural Notice](#)

[Read the FAQs](#)

Banking Industry Raises Concerns About Call Report Changes

ABA and other industry members sent a letter to the federal banking agencies providing feedback on recently proposed changes to the Call Report. Among other things, the groups raised concerns that several of the new reporting items are duplicative of existing requirements, such as data on sweep deposits that firms already report in the FR 2052a.

The groups also raised concerns around the confidential treatment of Call Report memorandum items, as well as the implementation timeline. They urged the agencies to postpone the implementation of the new reporting requirements until the March 30, 2022, report date. Additionally, they urged the agencies to confirm that firms are permitted to incorporate the new brokered deposit rules starting with the June 30 as-of date, and to provide additional clarification around a requirement for firms to report data on sweep accounts that are “not fully insured.”

[Read the Letter](#)

Fannie, Freddie Announce Effective End of ‘GSE Patch’

Fannie Mae and Freddie Mac announced that any loans purchased by the government-sponsored enterprises (GSE) after July 1, must conform to the requirements in the Consumer Financial Protection Bureau’s recently finalized qualified mortgage rule. The announcement effectively ends the so-called “GSE-patch.” The change was required by recent amendments to the GSEs’ preferred stock purchase agreements with the Treasury Department, which stated that Fannie and Freddie may no longer acquire loans that do not meet these new standards. The GSEs said they would provide details about these changes and their implementation in future lender letters. Fannie and Freddie clarified, however, that they will continue to buy loans that fall under the patch that have application dates on or before June 30 and are purchased as whole loans on or before Aug. 31 or in mortgage-backed securities pools with an issue date on or before Aug. 1.

[Read the Fannie Mae Letter](#)

[Read the Freddie Mac Letter](#)

Additional Funding Sought for Beneficial Ownership Database

President Biden’s FY 2022 budget includes \$191 million in funding for the Financial Crimes Enforcement Network (FinCEN), a \$64 million increase from FY 2021. The additional funding would go toward FinCEN’s efforts to implement new Bank Secrecy Act/anti-money laundering rules, including the creation of a new beneficial ownership database. The creation of the database was included in BSA/AML reforms passed by Congress in December.

Treasury Releases Details on Proposed Tax Changes

The Treasury Department provided additional details on the Biden administration's proposed changes to the U.S. tax code. The changes include an increase of the corporate tax rate from 21% to 28%, a 15% minimum tax on book income that would apply to the largest corporations, a global minimum tax for U.S. multinational corporations, an increase to the global intangible low-taxed income rate, and the elimination of a deduction for foreign-derived intangible income.

In addition to these proposals, the administration is also calling for increased enforcement around corporate tax evasion and increased audits of corporations by the Internal Revenue Service, among other things.

[Read the Report](#)

FDIC Seeks Input on Signage, Advertising Requirements

The Federal Deposit Insurance Corporation (FDIC) issued a Request for Information (RFI) on modernizing its official sign and advertising rules. The RFI also for feedback on how technological or other solutions could be used to help consumers better distinguish FDIC-insured banks and savings associations from entities that are not insured by the FDIC, particularly across web and digital channels.

[Read the RFI](#)

FDIC Launches #GetBanked Campaign

The FDIC launched a public awareness campaign about the benefits of opening a bank account. The #GetBanked campaign encourages consumers to consider opening a checking account and includes a checklist to help consumers choose the best account to meet their needs as well as a list of local partners to help consumers find low-cost bank accounts.

[Learn More](#)

Be Prepared with the Thumbprint Signature Program

The Thumbprint Signature Program is a simple, low-cost deterrent to check fraud. Persons wanting to cash a check are asked to place an impression of their thumbprint on the face of the check. A small inkless touch pad facilitates the process. Although the touch pad looks and operates just like a traditional inkpad, it leaves no stain or residue on users or clothing.

The NBA has affordable touch pads available for members. View details on the [Thumbprint Signature Program](#) and place your order!



April is Financial Literacy Month

Financial Literacy Month is an opportunity to highlight your bank's efforts to improve financial capabilities, especially among youth, and to promote financial well-being for all consumers. The NBA recognizes banks that advance the goal of financial education in their communities and wants to hear from you. Please submit a [Financial Education Activity Report](#) by **May 31, 2021**, to report your bank's financial education efforts. The report should cover your bank's financial education activities occurring between April 1, 2020, and March 31, 2021. Complete the activity report by May 31, 2021. A new financial literacy recognition program for 2022 will cover activities from Jan. 1 to Dec. 31, 2021. Contact Kara Heideman at the NBA at 402-474-1555 or kara.heideman@nebankers.org with questions.

Financial literacy resources

- [FDIC Money Smart](#)
- [Federal Reserve Education](#)
- [Get Smart About Credit](#)
- [MyMoney.Gov](#)
- [Safe Banking for Seniors](#)

NBA Preferred Vendor: Bank Marketing Center

BankMarketingCenter.com's web-based platform puts you in complete control of the marketing production process for your bank. As a registered user, banks will have access to:



Thousands of professionally designed marketing materials.



Customize products with your bank's logos, colors, and copy.



Send camera-ready artwork directly to your local publications and printers.

Check out this [article](#) on using free stock photos and see what [current customers](#) have to say about Bank Marketing Center. [Register now](#) to schedule your free webinar with BankMarketingCenter.com and see how your bank can build a one-stop marketing portal.

April 9, 2021

Early next week the Legislature will have completed two-thirds of the 2021 Legislative Session. Lawmakers continue to methodically process priority bills and are expected to give final approval to the biennial budget by the end of next week.

BUDGET BILLS ADVANCE

Lawmakers gave first round approval on Thursday to the majority of the bills contained within the state's biennial budget. The remaining budget bill (LB 383) was expected to elicit extended debate on Friday pursuant to an amendment proposed by Appropriations Committee Chairman John Stinner (Gering) which would allocate nearly \$15 million toward planning for a new correctional facility. In the only change to the proposed Appropriations Committee budget, Senator Mike Flood (Norfolk) successfully promoted an amendment to increase grant funding available to creative districts (cultural and artistic ventures) from \$100,000 a year to \$1 million a year. Over the course of the next two years, state revenue is forecasted to grow by 1.4 percent in year one and 4.7 percent in year two.

Highlights of the Budget:

Among the highlights of the \$9.7 billion, two-year state budget plan are the following:

Strong Cash Reserve: The cash reserve would be increased from \$412 million to \$763 million, with \$50 million reserved to attract the U.S. Spacecom Project.

Additional Property Tax Relief: The Property Tax Credit Fund would be increased by \$63 million over the two-year budget cycle. In addition, funding for the refundable income tax credit against school district property taxes paid will increase from \$125 million in fiscal year 2021-22 to \$313 million in fiscal year 2022-23. As advanced, the budget package would place \$1.45 billion into direct property tax relief over the two years ending June 30, 2023, a 65 percent increase from current property tax relief efforts.

Increased Service Provider Rates: DHHS and juvenile provider rates would be increased by 2 percent (total of \$83.5 million) over the next two years.

Funding for Legislative Priorities: An additional \$211 million is available for legislative priorities, either in the form of increased spending or by providing funding for tax relief measures.

The Nebraska Economic Forecasting Advisory Board will convene on April 29, 2021, to update current revenue projections upon which the state budget is based.

PROPERTY TAX TRANSPARENCY BILL MOVES

LB 644 – Property Tax Request Act: The Legislature advanced LB 644 to Select File during floor action on Wednesday, April 7. Under LB 644, introduced by Senator Ben Hansen (Blair), designated political subdivisions would be required to explain how much a property taxpayer's bill would increase if the proposed tax increase were approved and hold a hearing on these tax increases after 6:00 p.m. to allow citizens to better participate in the process. As amended the measure would require counties, cities, school districts, and community colleges to comply with certain notice and hearing requirements prior to setting the property tax request in an amount that exceeds the property tax request for the prior year, accounting for allowable growth (growth and assessed value of property from the prior assessment year to the current assessment year) resulting from (1) annexation of property; or (2) development of property. **(NBA Position – Support)**

GSB 2021

GSB BANK TECHNOLOGY SECURITY SCHOOL



KEY INFORMATION SECURITY STRATEGIES

September 27-October 1, 2021
Fluno Center for Executive Education

ENROLL TODAY AT GSB.ORG

Reduced rates available for those who've already attended the Graduate School of Banking or GSB Bank Technology Management School.

Sponsored by:



This innovative one-week school is designed by, and especially for, information security officers in the financial industry. It features in-depth labs that will allow you to work with learned concepts to gain skills and tools you can put to use immediately at your bank.

Whether you're a veteran Information Security Officer or new to the IT security field, this powerful program will give you the skills and knowledge to effectively secure your bank's and your customers' most sensitive information.

The program's curriculum features two core areas of study—the business of banking and offensive and defensive IT security measures.

IT SECURITY CURRICULUM

- Security Breaches, Laws and Regulations
- Information Security Management
- Digital Forensics
- CyberCrime and the Dark Web
- Network Penetration/Testing and Ethical Web Hacking
- Data Privacy Laws

BUSINESS OF BANKING CURRICULUM

- Introduction to the Business of Banking
- Bank Profitability Analysis
- Asset/Liability Management
- Bank Regulatory & Competitive Environment



Graduate School of Banking
at the University of Wisconsin – Madison