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Update

Government Relations Virtual Update

The Nebraska Legislature plans to adjourn for the year on Thursday, May 27. Learn how new state legislation will impact your bank by attending the upcoming Government Relations Virtual Update.

Three of the NBA's affirmative bills, the Public Funds Deposit Security Act (LB 66), the Online Notary Public Act (LB 94) and Trust Deeds/Trustees Interpleader Action (LB 904), have been passed and signed into law.

The NBA Government Relations team will review these bills and other legislation of interest to the banking industry on Wednesday, June 2, at 9:00 a.m. CDT. Advanced registration is required.

[Register](#)



NBA President and CEO Richard Baier, NBA General Counsel Bob Hallstrom and NBA Associate General Counsel Jerry Stilmock during a past virtual legislative update

Order 2022 Scenes of Nebraska Calendars

The NBA is now accepting orders for the 2022 NBA Scenes of Nebraska Calendars through **August 1**.



Orders placed before July 1 will receive the special pricing of 99 cents per calendar!

The calendar features photos from around Nebraska submitted by Nebraska bankers and their family members. Gifting your customers these calendars is a great way to thank them for their business and promote your bank!

[Place Your Order](#)

OCC to Reassess CRA Revisions

The Office of the Comptroller of the Currency (OCC) will reconsider the June 2020 Community Reinvestment Act (CRA) [final rule](#). The OCC also announced banks subject to the rule may also pause efforts to comply with it. “While this reconsideration is ongoing, the OCC will not object to the suspension of the development of systems for, or other implementation of, provisions with a compliance date of Jan. 1, 2023, or Jan. 1, 2024, under the 2020 CRA rule,” the agency said.

However, covered banks must continue to comply with provisions of the CRA modernization rule that had an Oct. 1, 2020, compliance date. These provisions were explained and interpreted in a [2020 OCC bulletin](#). The OCC added that it does not plan to finalize a December 2020 proposed rule on how the agency will evaluate CRA compliance under the new rule and that it will discontinue the CRA data collection published that month. The American Bankers Association (ABA) and other trade groups previously urged the OCC either to withdraw or formally delay compliance with the new rule. The groups noted the likelihood that the next Senate-confirmed Comptroller may pursue a different CRA modernization path.

[Learn More](#)

OCC Releases Semiannual Risk Perspective

The OCC released its Semiannual Risk Perspective. The report covers credit, interest rate, operational and compliance risk. While government stimulus programs lessened the impact of the pandemic, the OCC notes that increased problem loans and losses in the commercial real estate sector are expected. The transition away from Libor and potential risks from climate change were also highlighted in the report.

[Read the Report](#)

FDIC Requests Information on Digital Asset Activities

The Federal Deposit Insurance Corporation (FDIC) is requesting information on insured depository institutions’ current and potential digital asset activities. The FDIC noted banks are considering digital assets and indicated the information will “help inform its understanding of the industry’s and consumers’ interests in this area.” Comments are due July 16, 2021.

[Learn More](#)

Share of Unbanked Americans Falls

The share of American adults who were unbanked fell to 5% in 2020 from 6% in 2019. According to Federal Reserve’s annual Report on the Economic Well-Being of U.S. Households, adults considered fully banked, those who had a bank account and also did not use many nonbank financial alternatives, increased to 81% of the population.

[Read the Report](#)

ABA Raises Concerns About Credit Unions Acquiring Banks

ABA sent a letter to the leadership of the House Financial Services Committee raising concerns about a proposed purchase of a \$1.6 billion Georgia bank by Vystar Credit Union, a \$10 billion tax-exempt institution. The letter notes that several credit unions, including Vystar, “have become indistinguishable from traditional tax-paying banks,” yet continue to enjoy an exemption from most federal and state taxes, lighter regulation and no federal community reinvestment obligations.

[Read the Letter](#)

Employee Spotlight

Laurie Johnson, Communications and Marketing Assistant

The NBA is pleased to welcome Laurie Johnson. She will coordinate the processing and fulfillment of NBA products including the NBA Scenes of Nebraska calendars, Husker football schedules and thumbprint pads. Laurie will also assist with other communications and marketing efforts.

Hometown: Pierce, NE

Alma Maters: Pierce High School, University of Nebraska at Kearney

What Are You Most Looking Forward To In Your New Role? I am looking forward to making new connections with people and learning more about Nebraska's banking system.

Favorite Thing About Nebraska: My favorite things about Nebraska are the views of the open spaces while driving through hills on my way home. Oh, and the sunsets. One of the best things about Nebraska is its sky.

Hobbies: My hobbies include reading, singing, crocheting, trying new bread recipes and painting rocks. I also love playing with my cat and spending time with my family.



Laurie Johnson

Training and Networking Opportunities

Mark your calendar and join the NBA and fellow bankers for one of the many upcoming in-person events.

- **June 10** - Annual Golf Outing, Hastings
- **June 15-16** - Call Report Virtual Workshop, Virtual Offering
- **August 5-6** - Young Bankers of Nebraska (YBON) Annual Conference, Omaha
- **August 17-18** - Real Estate Lending Compliance Conference, Lincoln
- **August 24** - Opening New Accounts in Nebraska Workshop, Kearney
- **August 25** - Opening New Accounts in Nebraska Workshop, Lincoln
- **September 2-3** - Fall Agri-business Conference, Lincoln

To register and see the complete event schedule, visit the [NBA Event Calendar](#).

Review Alliance

Did you know that on the Loan Estimate - Services you cannot shop for, the items listed have to be in alphabetical order?

- 1026.37(f)(5)(ii) - "All other items must be listed in alphabetical order by their labels under the applicable subheading."
- Compliance Alliance has helpful tools such as TRID Line by Line to help with these rules.

Review Alliance is an independent group of compliance specialists offering banks deep-dive audits of their existing transactions, recommendations about program enhancements or guidance on future safety and soundness. In 2020, the NBA added Virtual Compliance Officer (VCO) to its compliance offerings. VCO is a new shared service model using bank-dedicated compliance officers; perfect for monitoring and guiding your bank remotely. To learn how to put them to work for your bank, contact Jennifer Heaton at the NBA at 402-474-1555 or jennifer.heaton@nebankers.org.

Compliance Alliance

Q: What is the line between relying on the National Automated Clearing House Association (NACHA) warranty and Regulation E requirements in resolving unauthorized transaction disputes?

A: Regulation E and NACHA are two requirements that while each govern electronic transactions, run parallel to each other, but never intersect. NACHA requirements can never supersede Regulation E provisions in resolving disputes, the regulatory timelines requirements, or the requirement to provide credit to a consumer.

Regulation E, § 1005.11, requires the bank to investigate upon learning of a dispute within the definition of Regulation E. Additionally, the Regulation allows consumers to make a dispute in any manner, orally or in writing. If the bank learns of a dispute, the duty arises to either investigate and act accordingly or provide credit without an investigation.

The above is in contrast with some of the NACHA requirements. For example, NACHA requires the bank to obtain a Written Statement of Unauthorized Debit (WSUD) for the bank to recover funds from the ODFI, the institution that made the debit. This may create a conflict with Regulation E, as under the regulation, the bank cannot condition conducting investigation or issuing a provisional credit on the consumer executing a WSUD. Regulation E only allows not providing provisional credit in the event the consumer does not provide a written confirmation of a claim. However, the duty to investigate and provide a reimbursement in the event of an unauthorized transaction remains.

When a bank (RDFI) submits a breach of warranty claim to the bank making the debit (ODFI), the ODFI may refute the warranty claim, by showing that the RDFI's customer did in fact authorize the transaction. This may result in conflicting outcomes under Reg E and NACHA. For example, if the RDFI's customer does not execute an WSUD fast enough, the RDFI may have no choice but to provide credit, and later learn that the transaction was not unauthorized after the time to revoke provisional credit lapses.

The best course of action is for the bank to require a written confirmation of unauthorized credit under Regulation E, which would allow the bank to avoid providing provisional credit, if the customer fails to provide such a confirmation. Such a confirmation may be in the form of WSUD, but it is sufficient that the customer confirms in writing, without specifically executing a WSUD. Otherwise, the bank must continue investigating upon learning of a Reg E dispute.

[Live Demo on Tuesday, May 25, 10:00 a.m. CT](#)
[Live Demo on Thursday, May 27, 1:00 p.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.