

# Update

## Comments Requested on Payment System Access Proposal

Non-traditional banks want to gain access to the Federal Reserve Banks' payment system. Bankers are urged to provide input on the Federal Reserve's (Fed) [payment system access proposal](#). The proposed guidelines will be used when evaluating requests for master accounts with the Fed or access to the agency's financial services. The proposal is in response to increasing requests from fintech firms and other providers to gain access to the payment system.

The NBA is finalizing a comment letter that calls for the Fed to ensure all participants in the payment system are held to similarly robust prudential standards. Allowing less robust standards could place the national financial system, and consumers, at risk.

In submitting your comments, please consider the following:

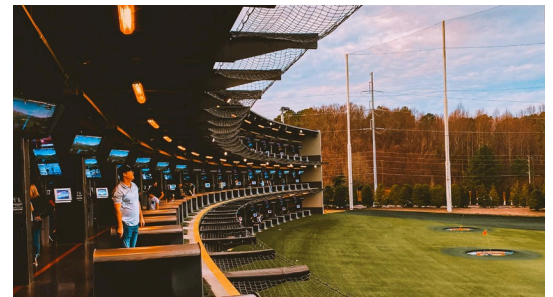
1. All entities seeking access to account and payment services should be subject to at least the same standards and regulatory and supervisory oversight as traditional banks. Given non-traditional charters are susceptible to money laundering, cybersecurity, and consumer data breaches, they should – at a minimum – be required to meet similar risk management mitigation and governance practices to protect consumers, the payments system and U.S. financial system.
2. The Federal Reserve should provide clear and specific details on the standards necessary to gain and maintain access to accounts and services at the Reserve Bank. It would be appropriate to hold these potential new entrants to even higher standards commensurate with the risk they pose to the stability of the financial system and the implementation of monetary policy.
3. If the Fed is to move forward with implementing a set of guidelines to evaluate applications for payments and account services, it should also:
  - o Establish a coordinated evaluation committee.
  - o Ensure an independent assessment of an institution's risk profile.
  - o Mandate ongoing Federal Reserve System review of entities not subject to federal supervision.
  - o Require audited financial reports.
  - o Require effective consumer protection programs.

The deadline for submitting comments is July 12, 2021. Options for submitting comments can be found [here](#).

## Young Bankers of Nebraska Conference

The Young Bankers of Nebraska Conference (YBON) is an opportunity for Nebraska bankers in any position, ages 21 to 39, to develop leadership skills and learn about current banking issues. The conference is August 5-6 in Omaha.

View the [full brochure](#) for a complete list of speakers.  
[Register for YBON](#)



*Get to know your fellow young bankers and have fun at Topgolf – no golfing ability necessary!*

## CFPB Finalizes Mortgage Servicing COVID-19 Rule

The Consumer Financial Protection Bureau (CFPB) released a final rule which establishes a temporary COVID-19 emergency pre-foreclosure period under Regulation X. The rule prohibits servicers from making the first notice or filing required to initiate foreclosure until December 31. The Federal Housing Finance Agency also stated that Fannie Mae and Freddie Mac servicers may not make a first notice or filing for foreclosure that would be prohibited by the CFPB rule before it takes effect.

[Learn More](#)

## PPP Liquidity Facility Extended

The Federal Reserve Extended the Paycheck Protection Program (PPP) Liquidity Facility a final time until July 30.

[Learn More](#)

## HUD Proposes Restoring Discriminatory Effects Rule

The Department of Housing and Urban Development (HUD) announced a proposal to rescind the 2020 disparate impact rule and restore the 2013 discriminatory effects rule. The 2020 rule modified the 2013 disparate impact rule to comply with the Supreme Court's 2015 decision in *Texas Department of Housing and Community Affairs v. Inclusive Communities Project*. The rule which recognized disparate impact analysis to demonstrate discrimination claims under the Fair Housing Act but added key limitations to ensure the burden of proof in disparate impact cases is with the plaintiffs. The 2020 final rule was not implemented because a Massachusetts federal district court judge stayed the rule pending consideration of consumer advocates' challenge to the rule as arbitrary and capricious.

[Learn More](#)

## IRS Extends Physical Presence Requirement Relief

The Internal Revenue Service (IRS) extended its temporary relief from the physical presence requirement. Under the temporary relief extension, spousal consents may be conducted remotely rather than be witnessed by a notary public or plan representative. The extension applies through June 30, 2022.

[Learn More](#)

## OCC Working on Credit Score Alternatives

Project Reach is a program of the Office of the Comptroller of the Currency (OCC) to develop a credit score from alternative data for the 45-65 million Americans who have no or very little credit history. Grovetta Gardinner, a senior OCC official stated, "We are discussing financial inclusion around access to credit, in particular, and bringing together financial institutions, civil rights organizations, fintechs and a lot of incredibly bright people."

[Learn More](#)

## Credit Reporting System Hearing

The House Committee on Financial Services held a hearing, *A Biased, Broken System: Examining Proposals to Overhaul Credit Reporting to Achieve Equity*, that included a discussion of a proposal to create a public credit reporting agency under the CFPB.

[Learn More](#)

## Share your Story of Promoting Student Economic Inclusion

The NBA wants to highlight your bank's efforts toward on promoting economic inclusion and financial capability for Nebraska students. An upcoming webinar will highlight the importance of innovative financial education strategies to bank all Nebraska high school students. NBA President and CEO Richard Baier will be participating in the webinar and sharing your examples of how banks provide financial education to students. The webinar is August 31 from 3:00 to 5:00 CT. Share your information by emailing Kara Heideman at the NBA at [kara.heideman@nebankers.org](mailto:kara.heideman@nebankers.org).

[Register for the Webinar](#)

## Employee Spotlight

### Jamie Yendra, Agency Services Account Manager

The NBA and NBISCO are pleased to welcome Jamie Yendra.

**Hometown:** Gibbon, NE

**Alma Maters:** Gibbon High School, University of Nebraska at Kearney

**What Are You Most Looking Forward To In Your New Role?** I am looking forward to building personal relationships with the NBISCO team and agents I will be working with.

**Favorite Thing About Nebraska:** I love the ever-changing seasons in Nebraska and sunset views. The summer heat brings outside fun and fishing at one of the many lakes our state has to offer. The fall coolness and changing of the leaves bring deer hunting trips and quiet time outside. The winter cold brings beautiful snow and waterfowl hunting trips with my family. Finally, the spring warmth brings the crane migration and a sense of new beginnings.

**Hobbies:** As you can tell from my list of favorite things, I like to spend time outside, hunting and fishing with my family. If there is a country music concert in the area, I will most likely be there with my friends enjoying the music.



*Jamie Yendra*

## Upcoming Events

We enjoyed seeing bankers at the NBA attending the KBA/NBA Schools of Banking Relationship and Business Development School last week.

We're looking forward to seeing bankers in person at an upcoming event. [Calendar](#)



*Relationship and Business Development School Attendees*

## Scenes of Nebraska Calendars and Football Schedules

There's still time to place your bank's orders for two popular products. Don't miss out!

- [Place Your Calendar Order](#)
- [Place Your Football Schedule Order](#)

## CSBS Survey of Community Banks

Banks are encouraged to complete the 2021 National Survey of Community Banks conducted by the Conference of State Banking Supervisors (CSBS). The survey has been conducted for nine years, making it one of the longest and largest longitudinal surveys of the community bank industry. Results have enabled community banks to inform policymakers and researchers about the opportunities and challenges facing the community banking industry. Responses are requested by July 15.

[Survey](#)

## Review Alliance

Did you know it's important that the bank's fee schedule verbiage matches what is listed on account statements?

- Example: If your fee schedule states 'Overdraft Funds Paid Charge' the statement should reflect the same verbiage.
- This can help prevent any unwanted UDAAP concerns.

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](mailto:jennifer.heaton@nebankers.org).

## Compliance Alliance

**Q:** We are in the process of changing our TISA disclosures and are going to be sending out the updated disclosures soon. We are going to make sure to send out the notices at least 30 days before the effective date of any changes, but are we required to send disclosures to all account holders? If there are multiple account holders on one account, can we just send the updated disclosures to one account holder, or do we have to send it to all account holders on that account?

**A:** Regulation DD indicates that if you have more than one account holder on an account that you are only required to send the disclosures to any account holder. There is no indication in the regulation as to which account holder you must send it to, so it would be up to the bank to pick which account holder is going to be the recipient of revised disclosures.

"(d) Multiple consumers. If an account is held by more than one consumer, disclosures may be made to any one of the consumers." 12 CFR 1030.3(d), <https://www.consumerfinance.gov/rules-policy/regulations/1030/3/#d>

[Live Demo on Tuesday, July 6, 10:00 a.m. CT](#)

[Live Demo on Thursday, July 8, 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](mailto:info@compliancealliance.com) and ask for our Membership Team.