

Update

Huddle Up for Legislative Success!

The NBA BankPAC is the unified political voice of Nebraska bankers, combining small and large contributions from banks and bankers and allocating those contributions to candidates who support a pro-banking and pro-business environment in our state. BankPAC ensures that your individual contribution works harder and goes further by pooling it with the contributions of other Nebraska bankers.

BankPAC also makes certain that good candidates and supportive elected officials can run effective campaigns. Every year, the Nebraska Legislature and Congress consider legislation that affects bankers' bottom lines. BankPAC contributes to candidates who believe in our right to compete on an equal basis.



NBA BankPAC contribution recipient Rep. Don Bacon with several Omaha-area members.

The fierce opposition shown toward the IRS reporting proposal that would be included in the Congress reconciliation bill highlights the importance of electing lawmakers who will help support the need for less regulatory burden on financial institutions. The banking industry is fortunate that all members of the Nebraska Congressional Delegation have voiced their opposition to the proposal.

Find out how you can get involved in BankPAC by contacting Jennifer Heaton at the NBA at 402-474-1555 or jennifer.heaton@nebankers.org. View the [list of banks](#) that have already made a commitment to the NBA BankPAC in 2021.

Participate in the Regulatory Feedback Initiative

One of our top priorities as an association is to ensure that regulators are treating our member banks in a fair, predictable and consistent manner. But we cannot do our job without your help. Bank examinations are high-stakes events. Our goal is to help our members prepare for their exams, avoid exam surprises and eliminate inconsistencies in examinations from regulator to regulator or from region to region.

In order to do that, we ask that every member complete a Post Exam Survey after each examination. This survey is completely anonymous and never asks for information to identify your bank or any confidential exam information. If you have already filled out a survey for your most recent exam, THANK YOU!

When aggregated, your feedback helps associations identify trends that will help banks prepare for future exams and identify inconsistencies that we can highlight with regulators. If you have had an examination this year and have not already completed a Post Exam Survey, please take a minute and [complete the survey](#) today.

Budget Reconciliation, IRS Reporting Proposal Still in Flux

Congress is continuing to work through disagreements in an attempt to pass the budget reconciliation bill. The initial target of \$3.5 trillion in social spending has been reduced to \$1.5 trillion. On Tuesday, Senate Democrats agreed to a [corporate minimum tax proposal](#) that would tax companies that report more than \$1 billion in profits at a rate of 15%. Recently, Sen. Ron Wyden (D-Ore.) released [details of his plan](#) to annually tax the investment gains of billionaires. Additional provisions on taxes, climate change, prescription drug pricing and family leave are still being negotiated. The Biden Administration is still pushing for the inclusion of the IRS reporting proposal which would require banks to report annual account inflows and outflows; however, the Administration and Congress continue to discuss the specifics of the proposal.

Latest Updates:

- On Tuesday, Sen. Joe Manchin (D-W.Va.) [announced](#) his opposition, saying “no one should be in anyone’s bank account.” Manchin indicated he had also shared his concerns with President Biden, telling him, “This cannot happen. This is screwed up.” Last week, Rep. Charlie Crist (D-Fla.) became the first Democrat to [publicly oppose](#) the proposal.
- Nebraska Sens. Deb Fischer and Ben Sasse and Reps. Don Bacon and Adrian Smith cosponsored the Prohibiting IRS Financial Surveillance Act in their respective chambers. The bill would prohibit the implementation of new requirements like the IRS reporting proposal. Our Delegation’s [consistent opposition](#) to the proposal is appreciated.
- A coalition of 99 trade groups, including the American Bankers Association (ABA), reiterated opposition to the IRS tax reporting proposal in a [letter](#) to President Biden.
- Senate Finance Committee Ranking Member Mike Crapo (R-Idaho) [requested](#) more details on the proposal from Treasury Secretary Janet Yellen.
- Today House Speaker Nancy Pelosi [announced](#) House Rules Committee debates will begin Oct. 28.

[Call Congress](#)

[Customer Resources](#)

Department of Justice Announces Anti-Redlining Initiative

The Department of Justice (DOJ) recently launched the Combatting Redlining Initiative in collaboration with the Office of the Comptroller of the Currency (OCC) and the Consumer Financial Protection Bureau (CFPB). Attorney General Merrick Garland called the Initiative the DOJ’s “most aggressive, coordinated effort to address redlining.” CFPB Director Rohit Chopra said that the Bureau would also be “closely watching for digital redlining, disguised through so-called ‘neutral algorithms.’” Chopra raised concerns over the rate at which lenders were making decisions based on the algorithms.

The DOJ also announced a settlement with Trustmark National Bank relating to allegations that the bank engaged in redlining in black and Hispanic neighborhoods in Memphis, Tenn.

[Learn More](#)

FSOC Recommends Next Steps on Climate Risk

The Financial Stability Oversight Council (FSOC) approved a report on mitigating climate-related risks in the financial sector. The report contained more than 30 specific recommendations, including that regulators continue their efforts to consider and incorporate climate-related risks into their regulatory and supervisory programs and determine whether new guidance or additional regulations are needed.

[Read the Report](#)

NCUA Approves Expansion of CUSO Lending Authority

The National Credit Union Administration (NCUA) board approved a proposal that would expand the range of permissible lending activity for credit union service organizations, or CUSOs. Under the rule, CUSOs will be allowed to originate any type of loan a federal credit union may originate, including auto and payday loans. The final rule also broadens federal credit unions' investment authority in CUSOs.

[Read the Rule](#)

McWilliams: Crypto Assets, Stablecoin Need Clear Rules

During a recent speech FDIC Chairman Jelena McWilliams said, "...stablecoins should be subject to well-tailored government oversight." She noted the federal banking agencies plan to issue a policy statement clarifying how existing rules and procedures apply to crypto assets and bank participation in crypto activities.

[Learn More](#)

Federal Eviction Aid Disbursement Still Lags

According to data released by the Treasury Department, only 23% of the \$46.5 billion in Emergency Rental Assistance funds has been disbursed by state and local governments as of Sept. 30. The funding is available to households who cannot pay rent or utilities dues to COVID-19.

[Learn More](#)

Education and Events Calendar

- **Oct. 29** – Regulatory Issues Virtual Summit
- **Nov. 1** – Security Management Virtual Workshop (1 of 2)
- **Nov. 3** – Demystifying Cryptocurrency Workshop
- **Nov. 4-5** – Bank Investment, Funding and Economic Outlook Conference
- **Nov. 8** – Security Management Virtual Workshop (2 of 2)
- **Nov. 10** – Employment Law Compliance for Banks Virtual Workshop

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

Attend the Beginning Farmer Symposium

The Institute of Agriculture and Natural Resources at the University of Nebraska-Lincoln, Congressman Jeff Fortenberry and the Farm Credit Administration are sponsoring a Young, Beginning and Small Farmer Symposium. The event will examine challenges facing young, beginning and small farmers and available financing programs. Among the panelists are Steve Cleveland of Homestead Bank (Chadron) and Tom Kelly of Western Nebraska Bank (Paxton). This free event is Monday, Nov. 8 from 9:00 a.m. to 4:00 p.m. CST at the Nebraska East Union in Lincoln. (corrected link)

[Register](#)

Nebraska Chamber Economic Development Summit

Join the Nebraska Chamber for a discussion of workforce, housing, childcare and Nebraska's strengths and opportunities. NBA President and CEO Richard Baier will moderate a housing panel that includes Stuart Fox of Nebraska State Bank & Trust Co. (Broken Bow). The Summit is Nov. 9 from 10:00 a.m. to 3:30 p.m. CST at the Embassy Suites Hotel in Lincoln. You can register and learn more [here](#).

Review Alliance

Did you know that when it comes to Reg E that all information is accurate and provisional credits are completed on time?

- This will help ensure unnecessary fees are not charged
- Helps avoid Reg E violations

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. For an open-end credit card account, can a due date on the monthly billing statement vary if the usual due date is a Sunday?

A. The answer to this question depends on how the bank determines their due date. The regulation provides the following requirements:

“6. Same day each month. The requirement that the due date be the same day each month means that the due date must generally be the same numerical date. For example, a consumer's due date could be the 25th of every month. In contrast, a due date that is the same relative date but not numerical date each month, such as the third Tuesday of the month, generally would not comply with this requirement. However, a consumer's due date may be the last day of each month, even though that date will not be the same numerical date. For example, if a consumer's due date is the last day of each month, it will fall on February 28th (or February 29th in a leap year) and on August 31st.

7. Change in due date. A creditor may adjust a consumer's due date from time to time provided that the new due date will be the same numerical date each month on an ongoing basis. For example, a creditor may choose to honor a consumer's request to change from a due date that is the 20th of each month to the 5th of each month or may choose to change a consumer's due date from time to time for operational reasons. See comment 2(a)(4)-3 for guidance on transitional billing cycles.”

Regulation Z, § 1026.7(b)(11), Comment 6 - <https://www.consumerfinance.gov/rules-policy/regulations/1026/7/#7-b-11-Interp-6>

“(A) The due date for a payment. The due date disclosed pursuant to this paragraph shall be the same day of the month for each billing cycle.”

Regulation Z, § 1026.7(b)(11)(i)(A) - <https://www.consumerfinance.gov/rules-policy/regulations/1026/7/#b-11-i-A>.

- [Live Demo on Tuesday, Nov. 2 at 10:00 a.m. CST](#)
- [Live Demo on Thursday, Nov. 4 at 1:00 p.m. CST](#)

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.