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From: New Jersey Credit Union League <news@njcul.org>
Reply-To: news@njcul.org
To: staff@njcul.org
Conversation: The Daily Exchange -- May 23, 2014

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May 23rd, 2014

Today's News:

- › Only Three Business Days Left in the Comment Period for NCUA's RBC Proposal
- › NJCUL Office Closed Monday for Memorial Day
- › Don't Miss Ann South on PBS' 'Life and Living' Tomorrow at 2 PM!
- › NJ Gateway President/CEO Rina Pantano Among those Inducted into Arther L. Johnson H.S. Hall of Fame
- › New Regulatory Review, Stabilization Fund Discussed at NCUA Meeting
- › NJCUL Education by CU Department
- › Contributions Total \$126,500 for CMNH at THINK 14 Conference
- › Three CUNA-Backed Reg Relief Bills Pass Committee
- › Patent 'Troll' Bill Pulled from Senate Committee Agenda, House Holds Hearing
- › NCUA: Examiner Training

Only Three Business Days Left in the Comment Period on NCUA's RBC Proposal

CU's Sound Off as Deadline Approaches

WASHINGTON – With only three business days left in the comment period for NCUA's risk-based capital (RBC) proposal, almost 900 comment letters already have been sent. In addition to the King-Meeks letter signed by 324 members of Congress, Sen. Al Franken (D-Minn.) submitted a letter last week, and former Senate Banking Committee Chair Al D'Amato has commented as well.

Sen. Heidi Heitkamp (D-N.D.), a member of the Senate Banking Committee, submitted a comment letter of her own Thursday, urging the NCUA board to commit to transparency during the process and incorporate feedback from industry participants.

"Credit unions have served farmers and ranchers for many years, by making safe and affordable agricultural loans," she wrote. "Several North Dakota agricultural groups are concerned the proposal risk-based capital rule will negatively affect agricultural lending in my state."

A letter signed by members of five different North Dakota-based agricultural organization also cautioned against the effects of changes to current RBC rules.

"It is because of this history of safe and sound loans that Congress created an exemption for rural based credit unions so that they would not be subject to the 12.25% cap on business lending," the letter reads. "If the RBC rule were to be finalized as proposed, this exemption would become moot and many credit unions may have to discontinue or decrease agricultural lending."

State credit union leagues, credit unions, and other stakeholders have also contributed to the nearly 900 comment letters received by the

7/10/2014 10:00 AM
Benefits CUs
> Credit Unions, Mark Your
Calendars



BANKING YOU CAN TRUST

NJCUL is Collecting 80 Examples of “Banking You Can Trust” in Honor of its 80th Anniversary!

We’re asking our member credit unions to provide us with examples of how they have provided “Banking You Can Trust” this year.

Send your credit union’s examples of “Banking You Can Trust” to the League at news@njcul.org. Photos are strongly encouraged! We’ll be featuring all of these great stories and photos at our 80th Annual Meeting and Convention September 21-23, 2014 at the Trump Taj Mahal in Atlantic City, N.J.

NCUA.

Click [here](#) for the NJCUL RBC Tools and Resources, which includes a draft comment letter and letters sent thus far from New Jersey. Assistance with comment letters is available from NJCUL Director of Compliance Nicola Foggie at 800-792-8861, ext. 112 or nfoggie@njcul.org.

To read a sampling of comments received by the NCUA click here for [More CU RBC Comments](#) and click here to access the [CUNA Risk-Based Capital Action Center \(members only\)](#).

Once the comment period closes, the NCUA will host three listening sessions: June 26 in Los Angeles, July 10 in Chicago and July 17 in Alexandria, Va. CUNA will be attending each of the sessions and will be working with the leagues to ensure credit unions' concerns are heard by the agency.

The NJCUL will attend the July 17 session in Alexandria and plans to provide transportation for interested members. Listening Session registration is available [here](#).

Additional information on CUNA’s and the NJCUL’s legislative and regulatory advocacy efforts are available through CUNA’s weekly [The Cheney Report](#), [Legislative Update](#), [Regulatory Advocacy Reports](#), and monthly [Legislative Affairs Webcast](#), as well as reported in various NJCUL publications such as the *Daily Exchange*.



[[BACK TO TOP](#)]

NJCUL Office Closed Monday for memorial Day

HIGHTSTOWN, N.J. – The New Jersey Credit Union League office will be closed this Monday, May 26th in observance of Memorial Day. It will reopen at normal hours on Tuesday, May 27th.

Have a happy Memorial Day weekend everyone!

[[BACK TO TOP](#)]

Don't Miss Ann South on PBS' 'Life and Living' Tomorrow at 2 PM!

Upcoming Events:

June 10, 2014

ELS Session: CU
Differentiation Strategies

Location: NJCUL

10:00 am to 2:00 pm

[More Information Click Here](#)

June 10, 2014

VirtualCorps Webinar:
Emerging Leadership:
Public Speaking &
Presentation Skills
Fundamentals

3:00 pm to 4:30 pm

[More Information Click Here](#)

June 12, 2014

Webinar: Frontline Series:
How to Handle Difficult
Members

3:00 pm to 4:30 pm

[More Information Click Here](#)

Contact Us:

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Connect with Us:



Catch Novartis FCU President/CEO and outgoing New Jersey Credit Union Foundation Chairman Ann South tomorrow on an episode of the PBS program "Life & Living" with host Joanna Gaggis. The segment will air at 2 p.m. on NJTV.

South speaks about the NJ CU Foundation's dedication to financial literacy in New Jersey, highlighting the popular Reality Fair program supported by the Foundation as well as the Foundation's partnership with the New Jersey Coalition for Financial Education (NJCFE).

"Life & Living" highlights the lifestyle and culture of New Jersey's citizens and showcases the great destinations that make New Jersey unique. The half-hour, magazine-style program "sets the record straight" about who and what New Jersey is really all about.



Be sure to tune in!

[\[BACK TO TOP \]](#)

NJ Gateway President/CEO Rina Pantano Among those Inducted into Arthur L. Johnson H.S. Hall of Fame

CLARK, N.J. — The inaugural Hall of Fame class of Arthur L. Johnson High School was inducted on May 15 as part of the ALJ Alumni Association's annual scholarship luncheon at The Gran Centurions in Clark. Among those honored was NJ Gateway President/CEO Rina Pantano, who graduated from the high school in 1987.



Rina Pantano (third from right) with other Arthur L. Johnson High School Hall of Fame inductees



or *Fame inductees*.

The Hall of Fame was created to honor distinguished alumni and people associated with the high school who have contributed in a positive manner to their profession, their community, or to the students of Arthur L. Johnson High School.

Coverage of the induction is available on NJ.com.

[\[BACK TO TOP \]](#)

New Regulatory Review, Stabilization Fund Discusses at NCUA Meeting

ALEXANDRIA, Va. – The NCUA held its monthly board meeting Thursday, during which it issued a notice of request to review its regulations, provided information on the Temporary Corporate Credit Union Stabilization Fund (TCCUSF), and approved an addition of underserved counties to the field of membership of a credit union in the Southwest.

The NCUA board issued a notice and request for comment to review its regulations to identify outdated, unnecessary, or burdensome regulatory requirements imposed on federally insured credit unions. The agency proposes to publish 10 categories of regulations for public comment over the next two years. The NCUA will accept public comment for 90 days following publication of the notice in *the Federal Register*, which is expected shortly.

The notice specifically requests comments on the first two categories: "Applications and Reporting" and "Powers and Activities." The NCUA is interested in comments regarding the need and purpose of the regulations, need for statutory change, overarching approaches and flexibility of the regulatory standards, and effect on competition.

In addition, the agency is seeking comments on reporting, recordkeeping and disclosures, consistency and redundancy, clarity, and scope of rules. The agency is also seeking comments on the burden on small credit unions.

The NCUA board was also briefed on the financial condition of the TCCUSF as of March 31. Since the last report, agency staff noted that the stabilization fund net position has improved by \$102 million, largely due to an improvement in the financial performance of the legacy assets associated with the NCUA Guaranteed Notes program.

As previously noted by the NCUA, the agency does not intend to charge a stabilization fund assessment to federally insured credit unions in 2014. CUNA has urged the NCUA to forego any further stabilization fund assessments on credit unions.

Finally, the NCUA board approved an addition to \$205 million-asset AERO FCU's field of membership of two underserved areas.

Click here for CUNA's summary of the [meeting](#).

[\[BACK TO TOP \]](#)

NJCUL Education by CU Department

Looking for an education session just for you? NJCUL has made it easy for credit unions to view education offerings by credit union department. Click on the image below to enlarge the color coded listing of upcoming sessions. Or, view the list below and click on the link for the session you're interested in.

(Click to enlarge)

Date	Session Type	Session Title	More Info	
5/28/14	Webinar	IT Audit for Credit Unions	http://bit.ly/1MfYwWz	Lending
5/29/14	Webinar	Keeping Collateral: How to Perfect, Get Priority & Liquidate Liens Under Article 9	http://bit.ly/1MfYVYQ	Frontline
6/3/14	Full-Day	Staff Session: Becoming a World Class "Member Centric" Service Credit Union	http://bit.ly/1MfYd6C	Directors
6/3/14	VirtualCorps Webinar	CDCU's Access to Grant Funding, Secondary Capital	http://bit.ly/1pxH9KJ	Compliance
6/3/14	Webinar	Head Teller Development: Improving Teller Performance	http://bit.ly/1pxHt15	Operations
6/3/14	VirtualCorps Webinar	CDCU's Access to Grant Funding, Secondary Capital	http://bit.ly/1pxH9KJ	Management
6/4/14	Full-Day	Management Session: Becoming a World Class "Member Centric" Service Credit Union	http://bit.ly/1m2G982	HR
6/4/14	Webinar	ACH Specialist Series: How to Legally Recover Unauthorized ACH Withdrawals	http://bit.ly/1m2H27h	CEO
6/5/14	Full-Day	Staff Session: Becoming a World Class "Member Centric" Service Credit Union	http://bit.ly/1m2H92z	CFD
6/5/14	Webinar	CFPB & Interagency Guidance for Residential Mortgage Foreclosures, Modifications & Workouts	http://bit.ly/1m2H9af	Collections
6/10/14	Full-Day	Executive Leadership Series Session: Credit Union Differentiation Strategies	http://bit.ly/1m2H9Vt	Marketing
6/10/14	Webinar	From Desperation to Dedication: Robber Proofing your Credit Union	http://bit.ly/18k9a7e	All Staff
6/10/14	VirtualCorps Webinar	Emerging Leadership: Public Speaking & Presentation Skills Fundamentals	http://bit.ly/18k9a7e	
6/11/14	Webinar	Completing the CTR Report Line by Line	http://bit.ly/18k9a7e	
6/12/14	Webinar	Frontline Series: How to Handle Difficult Members	http://bit.ly/18k9a7e	
6/17/14	Webinar	Processing IRA Rollovers & Transfers	http://bit.ly/18k9a7e	
6/18/14	Webinar	Required Compliance Series: Regulatory Compliance for the Frontline, Including BSA	http://bit.ly/18k9a7e	
6/19/14	Webinar	Director Series: Improving CU Profitability from a Holistic Approach	http://bit.ly/18k9a7e	
6/20/14	Full-Day	Compliance Conference: Plan Your Next Move!	http://bit.ly/18k9a7e	

All Staff

6/3/14 – Full-Day: Staff Session: Becoming a World Class “Member Centric” Service Credit Union

6/5/14 – Full-Day: Staff Session: Becoming a World Class “Member Centric” Service Credit Union

Compliance

06/20/2014 – Full-Day: Compliance Conference: Plan Your Next Move!

Directors

6/19/14 – Webinar: Director Series: Improving CU Profitability from a Holistic Approach

Frontline

6/3/14 – Webinar: Head Teller Development: Improving Teller Performance

6/11/14 – Webinar: Completing the CTR Report Line by Line

6/12/14 – Webinar: Frontline Series: How to Handle Difficult Members

6/18/14 – Webinar: Required Compliance Series: Regulatory Compliance for the Frontline. Including BSA

Compliance for the members, including CFPB

Lending

5/29/14 – Webinar: Keeping Collateral: How to Perfect, Get Priority & Liquidate Liens Under Article 9

6/5/14 – Webinar: CFPB & Interagency Guidance for Residential Mortgage Foreclosures, Modifications & Workouts

Management

6/3/14 – VirtualCorps Webinar: CDCU's Access to Grant Funding, Secondary Capital

6/4/14 – Full-Day: Management Session: Becoming a World Class "Member Centric" Service Credit Union

6/10/14 – Webinar: From Desperation to Dedication: Robber Proofing your Credit Union

6/10/14 – VirtualCorps Webinar: Emerging Leadership: Public Speaking & Presentation Skills Fundamentals

Operations

5/28/14 – Webinar: IT Audit for Credit Unions

6/4/14 – Webinar: ACH Specialist Series: How to Legally Recover Unauthorized ACH Withdrawals

6/17/14 – Webinar: Processing IRA Rollovers & Transfers

EDUCATION CANCELLATION POLICY: NJCUL must receive written cancellation in our office seven (7) days prior to the education session in order for you to receive a refund; substitutions only after this date. All cancellations will be subject to a \$25 cancellation fee.



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[\[BACK TO TOP \]](#)

Contributions Total \$126,500 for CMNH at THINK 14 Conference

***Conference Event Participants, TNS, FIS and CO-OP
All Contribute***

RANCHO CUCAMONGA, Calif. – A total of \$126,500 was raised in donations to Children's Miracle Network Hospitals (CMNH) at the THINK 14 Conference held May 19-22 in New Orleans, La., including \$75,000 from Transaction Network Services, Inc., and \$25,000 from FIS.

The \$126,500 in contributions sets a new record for charitable giving during a THINK conference.

"The amount donated to CMN Hospitals during THINK 14 is a testimony to the people-helping-people ethic of credit unions," said Stan Hollen, President/CEO of CO-OP Financial Services (www.co-ops.org), Rancho Cucamonga, Calif. "It's not just a slogan; people in this industry really are committed to the well-being of others."

"TNS is focused on supporting organizations that help provide a

brighter future for children,” said Mike Keegan, Co-Chief Executive Officer of TNS (www.tnsi.com), Reston, Va. “We initially became involved with CMN Hospitals after seeing the passion of CO-OP and its credit union members for this important cause. We look forward to continuing our support of CMN Hospitals.”

“FIS wanted to do something special to recognize 25 years of business partnership with CO-OP,” said Cleve Shultz, Senior Vice President of FIS (www.fisglobal.com), St. Petersburg, Fla. “There can be no better way to do that than to make a contribution to CMN Hospitals, the charity that FIS, CO-OP and the entire industry cares so deeply about.”

A tradition of the THINK conferences, the 2014 meeting included charitable events for attendees on May 19 and May 22. Activities included a golf tournament, a New Orleans city tour, a Garden District tour, an “Airboat Swamp Romp,” a cooking demonstration of traditional New Orleans delicacies, and “Miracle Jeans Day.” The amount contributed by participants totaled \$13,000.

In addition, 1st United Services CU of Pleasanton, Calif.; Elevations CU of Boulder, Colo.; Mitchell, Stankovic, & Associates, Boulder City, Nev.; and Vantage West CU of Tucson, Ariz., made contributions totaling \$3,500.

At the conference’s final General Session on May 22, event host CO-OP donated a further \$10,000. This is in addition to the \$1 million CO-OP donates on behalf of its member institutions to Credit Unions for Kids fundraisers annually through the CO-OP Miracle Match program. TNS’ Keegan then stepped forward to present the check from TNS for \$75,000 to CMN Hospitals. FIS made their \$25,000 announcement at the conference’s Celebration Party held the previous evening.

All these sums led to the \$126,500 for the THINK 14 conference. For more information, visit www.co-opfs.org.

[\[BACK TO TOP \]](#)

Three CUNA-Backed Reg Relief Bills Pass Committee

WASHINGTON – Three credit union relief bills were passed by the House Financial Services Committee Thursday, part of a markup session continued from May 7.

The bills are:

- H.R. 2673, the Portfolio Lending and Mortgage Access Act, which would treat mortgage loans held in portfolio as qualified mortgages. It passed 36-23.
- H.R. 4466, the Financial Regulatory Clarity Act, which would require financial regulators to determine whether new regulations are duplicative or inconsistent with existing federal regulations. It passed 34-25.
- H.R. 4521, the Community Institution Mortgage Relief Act, which would exempt credit unions and other lenders under \$10

billion from certain Real Estate Settlement Procedures Act (RESPA) escrow requirements and exempt mortgage servicers servicing fewer than 20,000 loans from certain RESPA servicing requirements. It passed 43-16.

CUNA sent letters of support for all three bills.

"These bills are small but important steps towards addressing the crisis of creeping complexity with respect to regulatory burden," said Ryan Donovan, CUNA's senior vice president of legislative affairs, told Housing Wire Thursday. "Credit unions appreciate the work of the sponsors and we look forward to seeing these bills come up for a vote on the House floor as soon as possible."

[\[BACK TO TOP \]](#)

Patent 'Troll' Bill Pulled from Senate Committee Agenda, House Holds Hearing

WASHINGTON – Senate Judiciary Committee Chairman Patrick Leahy (D-Vt.), a primary sponsor of a Senate patent reform bill, announced Wednesday that he is taking his bill off the voting agenda of his committee. Yesterday, House Energy and Commerce subcommittee heard testimony on issues of patent demand letters and patent assertion entities (PAEs) from the Federal Trade Commission (FTC) and seven other witnesses.

In early April, Leahy sent out a notice to postpone a scheduled mark-up of the bill known as the Patent Transparency and Improvements Act (S. 1720), but made it clear that he wanted to move forward with a vote this spring. However, on Wednesday he said, "Because there is not sufficient support behind any comprehensive deal, I am taking the patent bill off the Senate Judiciary Committee agenda."

He added, "If the stakeholders are able to reach a more targeted agreement that focuses on the problem of patent trolls, there will be a path for passage this year and I will bring it immediately to the committee."

During yesterday's House committee hearing, Associate Director of the FTC's Division of Marketing Practices Lois Greisman testified that patent demand letters raise broad issues about patents in the U.S.

During her testimony before the Sub-committee on Commerce, Manufacturing and Trade, Greisman said "The commission shares this subcommittee's goal of stopping deceptive patent demand letters while respecting the rights of patent holders to assert legitimate claims, and recognizes that achieving this goal is not easy."

The testimony also included comments on a draft bill that would prohibit deceptive patent demand letters, which would grant the FTC civil penalty authority in this area. The testimony also noted that the FTC is pleased that the proposed legislation would supplement, rather than replace, their existing authority under Section 5 of the FTC Act.

When it comes to PAEs, otherwise known as patent "trolls," the testimony cited a study from the Executive Office of the President that found that suits brought by PAEs have increased to 62% of all

infringement suits from 29% two years ago, and that this may have "a negative impact on innovation and economic growth."

The FTC is currently conducting a study to shed further light on practices of PAEs beyond litigation, to include an assessment of how PAE activity affects competition and innovation.

CUNA will continue to work with its partners in the Main Street Coalition and with others who share the view that patent troll abuses should be stopped.

The FTC's testimony is available [here](#).

[\[BACK TO TOP \]](#)

NCUA: Examiner Training Benefits CUs

NCUA's National Training Conference Comes in 8.5% Below Budget

ALEXANDRIA, Va. – Federally insured credit unions will benefit from better examinations and service from NCUA examiners after the completion of an extensive skills development program conducted at the agency's biennial National Training Conference.

"Providing the credit union system with well-prepared and knowledgeable examiners is essential to protecting safety and soundness," NCUA Executive Director Mark Treichel said. "The kind of professional development that takes place at the National Training Conference makes the examination process operate more efficiently and provides greater consistency."

The "Pathway to the Future" National Training Conference, held April 28 through May 9 in Jacksonville, Fla., drew more than 1,200 participants and came in \$176,133 below budget, a savings of 8.5 percent. The 2014 National Training Conference also cost \$512,945 less than the 2012 event. A summary of the 2014 National Training Conference costs is provided below.

The National Training Conference featured main sessions on NCUA's examination program focused on prevention, administrative actions and supervisory committee audits, as well as ethics, professional development and technology tools. The breakout sessions included discussions on interest rate risk and liquidity, lending and compliance with new mortgage rules.

"This training is part of NCUA's efforts to modernize operations and stay abreast of changes in the credit union system," Treichel said. "With so many of our staff based across the country, bringing everyone together for this sort of comprehensive training is the surest, most cost-effective way to help them develop or improve their skills."

Recently hired examiners benefitted from opportunities to learn best practices from their veteran colleagues. Staff also heard presentations from the agency's Chief Information Officer and the Office of Small Credit Union Initiatives.

"It's important to provide new staff with the chance to learn directly from their more experienced peers," Treichel said. "That kind of

professional exchange of ideas is very helpful to practitioners in any field.”

During the National Training Conference, NCUA also provided staff with security upgrades to their standard required government personal identification cards, enabling the agency to save the time and expense that would have been necessary had staff been required to travel to General Services Administration regional offices for the upgrades. NCUA staff also received updated software for their computers.

[\[BACK TO TOP \]](#)

Credit Unions, Mark Your Calendars

HIGHTSTOWN, N.J. – The New Jersey Credit Union League would like you to mark your calendars for these upcoming events:

NJCUL Education

June 3 -- [Full-Day: Staff Session: Becoming a World Class “Member Centric” Service Credit Union](#)

June 3 -- [VirtualCorps Webinar: CDCU’s Access to Grant Funding, Secondary Capital](#)

June 4 -- [Full-Day: Management Session: Becoming a World Class “Member Centric” Service Credit Union](#)

June 5 -- [Full-Day: Staff Session: Becoming a World Class “Member Centric” Service Credit Union](#)

June 7 -- [Small Credit Union Conference: Driving Success – Strategies that Work](#)

June 10 -- [Executive Leadership Series Session: Credit Union Differentiation Strategies](#)

June 10 -- [VirtualCorps Webinar: Emerging Leadership: Public Speaking & Presentation Skills Fundamentals](#)

June 20 -- [2014 Compliance Conference: Plan Your Next Move!](#)

Industry Events

June 2 -- [North Jersey FCU Foundation's 5th Annual Above and Beyond Golf Outing at Picatinny Arsenal Golf Course](#)

June 6 -- [Credit Union of New Jersey Foundation Coach/Cash Bingo in Support of the Ewing Community Disaster](#)

June 17 -- [South-Central Chapter Meeting: Enterprise Risk Management](#)

June 24 -- [NJ READ Meeting](#)

July 17 -- [NCUA Chairman Listening Session: Regional 1 & 2](#)

July 17 -- [NCUA Chairman Listening Session: Regions I & II in Alexandria, Va.](#)

July 21 -- 4th Annual Garden Savings Federal Credit Union Golf Outing at Fiddler's Elbow Country Club

July 30 - August 1 -- [NYIB Conference](#)

September 15th -- Picatinny Federal Credit Union's 16th Annual Golf Outing to Benefit the Captain Sean P. Grimes Scholarship Fund at the Picatinny Golf Club

September 20 -- [Renaissance Community Development Credit Union's 7th Annual Bike-A-Thon](#)

September 21-23 -- NJCUL's 80th Annual Meeting & Convention at Trump Taj Mahal

October 17 -- [International Credit Union Day](#)

[\[BACK TO TOP \]](#)

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