

Subject: The Daily Exchange -- October 6, 2014
Date: Monday, October 6, 2014 12:38 PM
From: New Jersey Credit Union League <news@njcul.org>
Reply-To: news@njcul.org
To: staff@njcul.org
Conversation: The Daily Exchange -- October 6, 2014

[Unsubscribe](#)

To ensure that you continue receiving our emails, please add us to your address book or safe list.



October 6th, 2014

Today's News:

- › Tomorrow's Northern Chapter Meeting Postponed to November 5th
- › CUNA Warns FinCEN Customer Due-Diligence Could Outweigh Benefits
- › September NCUA Board Meeting Video Now Available Online
- › CFPB Offering Trained Financial Coaches to Nonprofits Serving Financially Vulnerable Consumers
- › Take a Moment to Give Us Your Feedback on Convention!
- › Don't Miss Tomorrow's VirtualCorps Webinar on Reducing Fraud and ID Theft
- › FHA Issues 1st Chapter of Guidance for Lenders
- › Want to Crash the GAC? Now's Your Chance!
- › CUNA CompBlog Q&A: RSA E-Filing System &

Tomorrow's Northern Chapter Meeting Postponed to November 5th

HARRISON, N.J. – The Northern Chapter Meeting originally set to take place tomorrow, Tuesday, October 7th at the Spanish Pavilion in Harrison, N.J. has been postponed.

The new date of the meeting is November 5th.

More information will be available soon.



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

CUNA Warns FinCEN Customer Due-Diligence Could Outweigh Benefits

WASHINGTON – In response to the U.S. Treasury Financial Crimes Enforcement Network's (FinCEN) proposed changes to due diligence rules, to improve tracking of illegal activities, CUNA sent a letter to FinCEN with concerns that the changes would increase the regulatory burden faced by credit unions.

Under FinCEN's proposed rule, the key elements for customer due diligence would include:

- Identifying and verifying the identity of customers;
- Identifying and verifying the identity of "beneficial owners" of "legal entity" customers (i.e., natural persons who own or control "legal entities");
- Understanding the nature and purpose of customer relationships; and

› Online Payday-Lending has 'Serious' Detriment for Consumers According to Pew Report
› Credit Unions, Mark Your Calendars

Executive Leadership Series

Brought to you by the New Jersey Credit Union League 

Next ELS Session "Financing Innovation" on November 4th

Mark your calendars! The final ELS session of 2014 will take place Tuesday, November 4th at the League office.

Hear from John Best on "Financing Innovation". This session will help participants identify emerging financial technology such as mobile payments, wearable technology, emerging mobile cross channel opportunities, and the future of the credit union branch.

Click [here](#) for more information and to register.

relationships, and

- Conducting ongoing monitoring to maintain and update customer information and to identify and report suspicious transactions.

While CUNA supports the objective of improving the tracking of money laundering and terrorist financing, it remains concerned that the rule will impose additional compliance costs on credit unions.

"Such costs are likely to outweigh the purported benefits to FinCEN," CUNA wrote. "We are especially concerned about the proposed expansion of the 'beneficial ownership' requirements that would result in procedures taking up to 30 minutes or more for each 'legal entity' account opening."

CUNA instead encourages FinCEN to work with federal financial regulators and address specific problem areas and clarify certain Bank Secrecy Act (BSA)/Anti-Money Laundering (AML) rules.

CUNA also urged FinCEN to:

- Provide a delayed effective date that is more than 18 months from the issuance of the final rule, which will allow credit unions to prepare for potential staff and training resource increases and make other compliance, software and system changes;
- Strengthen BSA/AML rules for other types of institutions that are not financial institutions; and
- Coordinate with NCUA and other federal regulators to reduce regulatory burden, and coordinate legislative changes regarding the tracking of beneficial ownership.

CUNA's comment letter is available [here](#).

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

September NCUA Board Meeting Video Now Available Online

ALEXANDRIA, Va. – The video recording of the September open meeting of the NCUA Board is now available on the agency's Web site.

Archived videos of past Board meetings may be viewed [here](#), and each video remains on the site for one year.

The September open Board meeting's agenda included three items:

A final rule repealing NCUA's regulation on unfair or deceptive advertising or practices in response to changes required by the Dodd-Frank Wall Street Reform and Consumer Protection Act and making non-substantive changes to the agency's rules to modify terminology and reflect changes in the agency's operations.

Expansion of the community charter of First Service Federal Credit

Upcoming Events:

October 7, 2014

VirtualCorps Webinar: Why Your CU Needs CBSV to Prevent Fraud and ID Theft
3:00 pm to 4:00 pm

[More Information Click Here](#)

October 8, 2014

Webinar: Compliance & Legal Issues in Employee Screening: Pre-Hire & Post-Hire
3:00 pm to 4:30 pm

[More Information Click Here](#)

October 9, 2014

Webinar: Frontline Series: Reg E for the Frontline: Compliance & Guidance for Error Resolution
3:00 pm to 4:30 pm

[More Information Click Here](#)

Contact Us:

Address

299 Ward Street
Hightstown, NJ 08520
Driving directions

Phone

800.792.8861
609.448.2426

Fax

609.448.3499

E-mail

info@njcul.org

Connect with Us:



Union to serve eight counties around Columbus, Ohio.

A briefing on the performance of the Temporary Corporate Credit Union Stabilization Fund, which achieved a positive net position for the first time.

NCUA posts these videos as part of the agency's ongoing efforts to provide transparency and to allow those unable to attend Board meetings the opportunity to become better informed. An interval between the meeting and posting is necessary for the videos to comply with Section 508 of the Rehabilitation Act for the hearing and visually impaired.

The [Board Actions](#) page of NCUA's website has more information, including Board agendas, which are posted one week in advance of each open meeting, and copies of Board Action Bulletins, which summarize the meetings, Board memorandums and other documents.

[[BACK TO TOP](#)]

CFPB Offering Trained Financial Coaches to Nonprofits Serving Financially Vulnerable Consumers

Looking to Hire a Financial Coach? Lack the Resources? The CFPB may be able to help!

Does your credit union need a financial coach, but lack the resources to hire one? The Consumer Financial Protection Bureau (CFPB), in partnership with the Armed Forces Services Corporation, wants to place 20 trained financial coaches nationally with nonprofit service providers that serve financially vulnerable consumers.

Check out the [criteria](#) and [geographic areas](#) to see whether your organization or one in your community might be a good fit. This is available to certain areas of the East/North-East region of the U.S.: including parts of PA, NJ, DE, and MD.

For more information, read this [CFPB blog post](#). **Submissions are due on October 15, 2014.**

Financial Coaching
SERVICES

[[BACK TO TOP](#)]

Take a Moment to Give Us Your Feedback on Convention!

HIGHTSTOWN, N.J. – First of all, thank you to everyone who made our 80th Annual Meeting and Convention a huge success! We hope you all made connections, obtained new resources, learned something new, and had fun!



This year, we went digital with our evaluation form. Please take a moment to give us your feedback on this year's Convention by visiting www.njcuconvention.com/evaluation.aspx to fill out the online evaluation form.

We want to hear from you!

2014 Annual Meeting & Convention Evaluation

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

Don't Miss Tomorrow's VirtualCorps Webinar on Reducing Fraud and ID Theft

VirtualCorps.com™

Since 2002, Consent Based SSN Verification (CBSV) from the Social Security Administration (SSA) has been the pre-eminent validation service nationwide. By providing direct and instant access to the SSA database, your CU will receive the most accurate and superlative data available, which reduces losses and safeguards your CU and your member's interests.

Hear about why your credit union needs CBSV at the October 7th VirtualCorps Webinar from 3 p.m. to 4 p.m.

During this Webinar, Chuck Salvia, EVP/COO at Computer Information Development (CID), an Authorized SSA Agent and IRS Participant company, will help you:

- Learn an easy-to-implement solution to reduce fraud and identity theft
- Protect your vital business interests with Absolute Validation of personal identifiers
- See how simple it is for thieves to create a "new credit profile"
- Gain access to the official governmental record resources of the SSA Master File and Death Index
- Instantaneous web-based results will identify unauthorized applicants and will minimize losses

Time: 3 p.m. to 4 p.m.

Cost:

Live Webinar Only: \$99

Recorded Version Only: \$99

Live Webinar & Recorded Version: \$125

Registration

To register and pay by check, email Mary Zelinsky at mzelinsky@njcul.org and your credit union will be invoiced. To register and pay online, click [here](#).

REGISTRATION CANCELLATION POLICY: NJCUL must receive written cancellation in our

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.



• Education • Development • Growth • Essentials •

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

FHA Issues 1st Chapter of Guidance for Lenders

WASHINGTON – The Federal Housing Administration (FHA) has released the first chapter of its "Single Family Handbook," which is designed to be a "single, authoritative source of policy" to lenders on the agency's underwriting requirements.

U.S. Housing and Urban Development Secretary Julian Castro, who took office in July, said the handbook is meant to be a "definitive guide to doing business with the FHA." Three sections of the handbook were published for comment in late August, and this is the first finalized section.

According to the agency, the handbook uses clear, consistent and more direct language to explain the regulations, making it easier for lenders to understand and implement policy changes.

The 334-page first chapter of the handbook consists of guidance from origination of the loan through post-closing and endorsement. It will apply to loans starting June 15, 2015.

When completed, the handbook will consolidate 900 mortgagee letters and other policy guidance into a single document, Castro said in a September speech. Sections on servicing and appraisals will come later.

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

Want to Crash the GAC? Now's Your Chance!

Deadline to Apply is November 1st!

The 2015 Crash the GAC is going to be an event that you don't want to miss. The Cooperative Trust, CUNA, and state leagues, including NJCUL, are again joining forces in attempt to get one crasher from each state and the District of Columbia represented at the 2015 GAC taking place March 7-13, 2015. That's right, we are trying to get 51 Crashers to join us in D.C.!

Every Crasher will receive a full conference registration from CUNA. Travel, hotel and food costs are the responsibility of the Crasher and their credit union, but NJCUL will provide travel and hotel reimbursement for the crasher from New Jersey.

With more Crashers than ever before, a deeper dive into the world of credit union advocacy, and support from your state leagues to help arm you with ideas to stay involved back home—this year's Crash the GAC is an event you don't want to miss!

Applications for young credit union professionals who wish to Crash the GAC are now being accepted. Click [here](#) for more information and to apply. Be sure to get your application in by the November 1st, 2014 deadline. Every chosen Crasher will receive a full conference registration from CUNA. Travel, hotel and food costs are the responsibility of the Crasher and their credit union, but NJCUL will provide travel and hotel reimbursement for the crasher from New Jersey.

CRASH THE GAC



brought to you by Filene*

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

CUNA CompBlog Q&A: BSA E-Filing System & Copies of SARs

Q: Can a credit union get a copy of a suspicious activity report (SAR) that was previously filed using FinCEN's BSA E-Filing System?

A: According to FinCEN's SAR Frequently Asked Questions, the answer is "no." The answer to Question 8 says that the BSA E-Filing System is not a record keeping program. Therefore filers are not able to access or view previously filed reports.

The BSA E-Filing System does provide tracking information on past report submissions and acknowledgements for accepted BSA reports. Users of the BSA E-Filing System must save and can print a copy of the FinCEN SAR prior to submitting it. However, FinCEN does not provide copies of filed reports to filers.

More FAQs are available [here](#).

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

Online Payday-Lending has 'Serious' Detriments for Consumers According to Pew Report

WASHINGTON – A report released by the Pew Charitable Trusts has found that Internet-based payday loans often have "serious detrimental effects" on consumers.

The report is the fourth in Pew's "Payday Lending in America" series and reiterates Pew's recommendations that the Consumer Financial Protection Bureau (CFPB) adopt regulatory guidelines to make

Protection Bureau (CFPB) adopt regulatory guidelines to make payday lending safer and more transparent.

As a whole, Pew has found that payday loans—packaged as two-week, flat-fee products—in reality "have unaffordable lump-sum repayment requirements that leave borrowers in debt for an average of five months per year, causing them to spend \$520 on interest for \$375 in credit."

Other findings in the report include:

- One in 3 online borrowers has taken out a loan set up to withdraw only the fee on the customer's next payday, automatically renewing the loan without reducing principal or to increase borrowers' costs with unnecessarily long repayment periods;
- Nine of 10 payday loan complaints to the Better Business Bureau were made against online lenders, while online loans account for only about a third of the payday loan market. Most complaints deal with billing or collection issues, other problems include fraud, harassment and dissemination of personal information;
- Three in 10 online payday loan borrowers report being threatened by a lender or debt collector. Threatened actions include contacting family, friends or employers, and arrest by the police. Many of the threat types violate federal debt collection laws; and
- A 650% annual percentage rate (APR) is typical for lump-sum online payday loans. Online installment loans, which are paid back over time in smaller increments, range in price from around 300% APR to more than 700% APR from lenders who are not licensed in all of the states where they lend.

Many credit unions offer no-fee, low-interest rate payday alternative loans. NCUA has regulations allowing federal credit unions to offer payday alternative loans with an interest rate of up to 28% and an application fee of up to \$20.

According to NCUA, roughly 500 federal credit unions offer payday alternative loans, with about \$23 million in outstanding loans currently. The average loan balance is \$382.

The full Pew report is available [here](#).

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

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

October 7 -- [VirtualCorns Webinar: Why Your CU Needs CRSV to](#)

October 7 -- [VirtualCorps Webinar: Why Your CU Needs CDOV to Prevent Fraud and ID Theft](#)

October 14 -- [VirtualCorps Webinar: Big, Balanced and Sustainable Loan Growth](#)

October 21 -- [Teller Training for Frontline Staff](#)

October 22 -- [Business Development Roundtable: Business Development that Works](#)

October 28 -- [CFO Roundtable: Managing Effectively through the Budget Process](#)

November 5 -- [Lending Roundtable: Lending Best Practices](#)

November 5 -- [Collections Roundtable \(Afternoon Session\): Collections Best Practices](#)

November 12 -- [NJ DNA Meeting at the League Office](#)

Industry Events

October 7 -- [3rd Annual Affinity Federal Credit Union Foundation Casino Night](#)

October 7 -- [Northern Chapter Meeting](#)

October 9 -- [Reality Fair at Ocean County College \(main campus\)](#)

October 16 -- [International Credit Union Day](#)

October 16 -- [Shop for Miracles](#)

October 29 -- [Southern Chapter Meeting: Indirect Lending](#)

November 7-9 -- [DCUL's 2014 Volunteer Leadership Conference](#)

November 10 -- [Reality Fair at Ocean County College Southern Education \(SEC\)](#)

December 9 -- South-Central Chapter Meeting -- More Information Coming Soon

2015

March 8-12 -- [CUNA's 2015 GAC](#)

April 13-15 -- [CU Reality Check at the Golden Nugget Hotel & Casino in Atlantic City](#)

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

This message was sent to staff@njcul.org from:

New Jersey Credit Union League | news@njcul.org | New Jersey Credit Union League | 299 Ward Street | Hightstown, NJ 08520



[Manage Your Subscription](#)