

Subject: The Daily Exchange -- December 15, 2014
Date: Monday, December 15, 2014 12:05 PM
From: New Jersey Credit Union League <news@njcul.org>
Reply-To: news@njcul.org
To: staff@njcul.org
Conversation: The Daily Exchange -- December 15, 2014

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NJCUL Launches Dues Rebate Program

HIGHTSTOWN, N.J. – Last week, the League sent member credit unions dues statements for 2015 along with information explaining the value of league affiliation, which included an infographic illustrating the new patronage rebate program that will be used for the 2016 dues cycle.

The program is designed to reward member credit unions for their engagement with the League, including attendance at League functions, utilization of services, and relationships with League Business Partners. It includes areas ranging from education dollars spent to volunteerism relative to political and consumer advocacy.

As is shown by the statistics on the infographic, the maximum rebate that will be granted in 2016 is 15%, while the calculated average rebate for New Jersey's credit unions using 2014 data would have come to 8%.

"Our vision here at the League is to be a dynamic catalyst for our members' growth and an essential element of their success," NJCUL President/CEO Greg explains. "We cannot do that well unless we have engagement from our credit unions."

The NJCUL board of directors approved universal dues reductions for member credit unions the past few years due to the sluggish economy. "As the economy improves, we want to give our affiliates the opportunity to maintain lower dues levels, and I feel this model presents an opportunity to strengthen our credit union community throughout the state, while also accomplishing that goal," he added.

The program will "recognize through compensation those that value the collaborative spirit that makes our industry unique and look to the league first as a valuable resource to meet a multitude of service

Big Banks in Bad Light
) Credit Unions, Mark Your
Calendars



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As you're building your wish list on Amazon and planning gifts for loved ones in anticipation of the holiday season, remember to shop through [AmazonSmile](#) in support of the New Jersey Credit Union Foundation!

Through AmazonSmile, the Foundation receives 0.5% of eligible purchases made through the program.

It's a simple and automatic way to support the Foundation every time you shop at no cost to

needs," said Barbara Agin, Vice President of Member Experience and Education.

Look for quarterly updates from the League in 2015 on your credit unions' level of engagement. And watch for more information and tips on how your credit union can increase its engagement in the *Daily Exchange*.

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Save the Date: Free CU Wallet Lunch and Learn January 12th

New Jersey credit union leaders: mark your calendars for January 12th as the League is hosting a Lunch and Learn Information Session on CU Wallet.



This presentation is no charge for credit union members and associates and will detail CU Wallet's services and how they can enhance your members' satisfaction. CU Wallet has a variety of unique features that can increase your revenue, reduce in-person fraud and make your card "top of wallet".

The discussion will be led by industry veteran Chris Otey, Chief Revenue Officer of CU Wallet.

More details will be provided soon – stay tuned.

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CUNA Urges President to Sign CU Trust Account Bill

WASHINGTON – The U.S. Senate passed the Credit Union Share Insurance Fund Parity Act Thursday. The bill directs NCUA to extend share insurance coverage to trust accounts, such as Interest on Lawyer Trust Accounts (IOLTA) and other similar accounts, opened and managed by credit union members.

A strong supporter of the IOLTA bill, CUNA immediately sent a letter to President Barack Obama urging him to sign the bill into law.

The insurance-parity bill is the second CUNA-supported regulatory relief bill to pass recently. Last week, the House voted a resounding 422-0 in favor of The Regulation D Study Act.

The Senate's approval by unanimous consent Thursday of the IOLTA would bring credit unions parity to banks when it comes to trust accents.

"This parity bill would provide credit unions the same opportunity as other financial institutions to serve their members and the community,"

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Upcoming Events:

December 17, 2014
Webinar: Advertising Compliance: Website, Print, TV & Radio
3:00 pm to 4:30 pm
[More Information Click Here](#)

December 18, 2014
Webinar: aBanking Incident Response: Do You Have a Plan if a Member is a Cybercrime Victim?
3:00 pm to 4:30 pm
[More Information Click Here](#)

January 7, 2015
Marketing Roundtable: What's Working for Today's CU Marketers?
Location: NJCUL and via Video Conference
10:30 am to 12:00 pm
[More Information Click Here](#)

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CUNA President/CEO Jim Nussle said upon the bill's passage. He noted that CUNA is proud to have actively supported IOLTA's passage in both the House and the Senate.

CUNA believes the legislation is needed because NCUA has interpreted that the Federal Credit Union Act does not permit it to extend share insurance coverage to trust accounts.

The House passed its version of the legislation (H.R. 3468) in May. The bill now will be sent to the president to be signed into law.

The relief bill passed last week—the Reg D Study Act—would direct the U.S. Government Accountability Office to conduct a study of the impact of the Federal Reserve rules that set monetary reserve requirements at depository institutions.

The rules affect credit union members by limiting the number of automatic withdrawals from a member's savings account to six transactions per month, which can unnecessarily cause credit union members to overdraw their checking accounts after the limit of six automatic transfers has been reached.

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Appraisals Rule, TCCUSF 2015 Budget, EGRPRA Review Approved by NCUA

ALEXANDRIA, Va. – A final rule on appraisals, the 2015 Temporary Corporate Credit Union Stabilization Fund (TCCUSF) oversight budget, and a request for comment on paperwork reduction all passed unanimously at the NCUA's board meeting Thursday.

The appraisals rule was unchanged from the version proposed in June by the board. NCUA Chair Debbie Matz said 13 organizations submitted comments on the proposal and all generally supported the rule.

The rule:

- Eliminates the requirement that federal credit unions make a copy available of an appraisal used in connection with an application for a loan secured by a first lien on a dwelling;
- Requires the appraisal to be available for 25 months after the applicant has received notice of the action taken by the credit union on the application;
- Exempts from the appraisal requirement a transaction involving an existing extension of credit at the lending federally insured credit union; and
- Makes a technical amendment to the definition of "application" to align NCUA's definition with the CFPB's definition.

"This is an example of our efforts to keep credit union members in their homes, which we've tried very hard to do over the past several years, while encouraging credit unions to do the same," Matz said. "This is another way we're trying to pave the way for credit unions to be able to do that without undue administrative burden."

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The board also approved a notice and request for comment for the second review under the Economic Growth and Regulatory Paperwork Reduction Act (EGRPRA). The NCUA voluntarily participated in the review, which consists of eliminating outdated, unnecessary, or unduly burdensome regulations.

This current notice for comment involves three categories: agency programs, capital, and consumer protection. Five additional categories will be reviewed in 2015, which will be published in two separate notices.

The board previously reviewed applications and reporting, as well as powers and activities during a review earlier this year.

The board also approved \$4,121,519 for the TCCUSF for 2015, which is a 8.9% decrease from last year's budget. The budget includes the costs for the NCUA's Guaranteed Notes securities management and oversight committees, as well as costs incurred by other agency offices in support of the Corporate System Resolution Program.

For CUNA's full summary of the NCUA's board meeting, click [here](#).

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Cadillac is Back for the Holidays!

In case you haven't heard, Cadillac has rejoined the Credit Union Member Discount from GM program for a limited time. Now, in addition to saving on Chevrolet, Buick and GMC vehicles, your members can also save on a new 2014 Cadillac. These exceptional Cadillac offers will only be available to credit union members until January 5, 2015. Credit union support during this limited time off is crucial to efforts to secure Cadillac as a permanent Love My Credit Union Rewards partner.

These exclusive savings come at a perfect time for your credit union. Auto sales are at their highest in December with automakers typically selling more vehicles in December than any other month of the year.

Your credit union can take advantage of this high sales period to increase its auto loan volume through the Credit Union Member Discount from GM. To learn more or to enroll in the Auto Bundle so you can share this valuable discount with your members, [visit your dashboard in the Partner Center at LoveMyCreditUnion.org](#).

If you have any questions, please contact client support at LMCUREwards@cusolutionsgroup.com.





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Look Ahead at Marketing for the New Year

Wednesday, January 07, 2015
Marketing Roundtable:
What's Working for Today's CU Marketers?
10:00 a.m. to 12:30 p.m.

Are you curious about the marketing apps that credit unions like yours are using? Are you wondering how much time and money you could be saving on your marketing...if you just knew about the right technology? After speaking with diverse credit unions throughout the U.S., Laura Enock, founder of CUContent.com, came up with the best 10 marketing apps credit unions are using—and most are low cost—or even FREE!



From digital marketing to creating forms and social media tools, NJCUL's first Marketing Roundtable of the New Year features credit unions and the apps they're using, plus the pros and cons for each of them. Includes a Q and A session!

The session will take place from 10:00 a.m. to 12:30 p.m. and will include lunch. Join us "live" at the league office or via conferencing at Atlantic FCU in Kenilworth or Members 1st of NJ FCU in Vineland. The cost to attend is \$25.

There is also a 50% discount for credit unions below \$10 million in assets. Contact Mary Zelinsky at mzelinsky@njcul.org or 800-792-8861 ext. 100 for more information.

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

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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Exiting Ways & Means Chair Officially
Releases Tax Plan

RELEASES TAX PLAN

WASHINGTON – Nearly 11 months after releasing his plan for a tax code overhaul—which made no change to the credit union tax status—retiring House Ways and Means Committee Chairman Dave Camp (R-Mich.) Thursday introduced the plan as legislation (H.R. 1).

CUNA President/CEO Jim Nussle issued a statement of thanks for Camp. "I am grateful for Camp's long-standing support for credit unions, our not-for-profit, cooperative business structure, and his service to the country," Nussle said.

When Camp unveiled his tax discussion draft in February, CUNA thanked him for his treatment of credit unions. Allowing credit unions to retain their federal tax status enables the financial cooperatives to fulfill their mission to "promote thrift and to provide access to credit for provident purposes to members," CUNA said in a letter to the Ways and Means leader.

As the country's tax policymakers hammered out the tax discussion draft in 2013 and into 2014, CUNA launched its massive and aggressive "Don't Tax My Credit Union" social media blitz—which witnessed consumers and federal lawmakers alike tweeting resounding support for credit unions.

Also on the tax front on Thursday, Sen. Orrin Hatch (R-Utah) released a lengthy report on issues surrounding the U.S. tax code he wants to see addressed in a reform effort. Hatch is expected to become chair of the Senate Finance Committee in January when the Republicans become the majority party in that chamber, as they are in the House.

Retaining the credit union tax status is the top advocacy issue for CUNA, and the association is closely reviewing the Hatch report to identify any issues that could affect the financial cooperatives.

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New SBA Credit-Scoring Tool Aims to Streamline Low-Dollar Loans

WASHINGTON – The U.S. Small Business Administration (SBA) has started using a new credit-scoring tool aimed at making small-dollar loans easier and more cost effective for lenders.

FICO's Small Business Scoring Service is generally used to assess the risk of small business credit applicants.

The tool uses a "dynamic and predictive" scoring system for applicants according to the SBA, intended to automate a primary piece of the SBA's required credit analysis. The agency has tested it extensively, and it is now applicable to all 7(a) loans—the SBA's most common loan program—of \$350,000 or less.

According to the agency, the tool will streamline the underwriting process, while making it more objective, which should ensure more consistent credit decisions. Decisions on credit will also come faster, due to the automated process reducing reliance on a cash-flow analysis.

The SBA has been reaching out to the credit union community in

The SBA has been reaching out to the credit union community in recent months. A partnership between the SBA and the NCUA is in the works, and SBA Administrator Maria Contreras-Sweet met with CUNA President/CEO Jim Nussle earlier this month.

The agency guarantees portions of loans, usually 50% to 90% administered through lenders, and the guaranteed portion of those loans do not count against a credit union's member business lending cap.

Credit unions have been taking increasing advantage of SBA loans, with both average size and total dollar amount of loans up by nearly 50% over the past 2 1/2 years.

CUNA plans to follow up with its meeting with Contreras-Sweet by helping connect interested credit unions with the SBA and looking for ways to help credit unions already participating in SBA programs to increase their lending.

In early 2015, the agency is expected to institute SBA One, a Web-based application and loan management process to allow greater efficiency when it comes to uploading documents, generating forms and using electronic signatures.

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Director Myers Clarifies OSCUI Mission

ALEXANDRIA, VA. – The role and mission of the NCUA's Office of Small Credit Union Initiatives (OSCUI) was clarified by OSCUI Director William Myers in a recent meeting with CUNA.

"OSCUI is committed to assisting small, new, minority, and low-income credit unions to survive and thrive. We want to avoid duplication of effort as we all support these two-thirds of all credit unions," Myers said during the meeting. "There's plenty of room to share with trade associations and vendors."

OSCUI Deputy Director Martha Ninichuk also participated in the meeting. Representing CUNA were General Counsel Eric Richard, Deputy General Counsel Mary Dunn, and Vice President of Economics and Research Mike Schenk. Schenk is the chief liaison to CUNA's Small Credit Union Committee. Wes Millar, senior vice president of CUNA Strategic Services, was also included in the meeting.

Myers said the agency wants to help identify small credit unions that have the ability to provide the services their members need into the future and wants to work with the state credit union leagues and CUNA in that effort.

Issues regarding the objectives of OSCUI arose with the launching of an agency Web portal providing listings of registered credit union service providers. The [Credit Union Service Provider portal](#) (CUSP) is intended to provide credit unions a basic service to quickly identify potential vendors by service type.

CUSP provides no ratings, no endorsements, and no user feedback. Vendor registration in CUSP is maintained by the General Services Administration through the existing federal [System for Awards](#)

Administration through the existing Federal [System for Awards Management](#) (SAM.gov). The registration process is simple and free. The NCUA cannot modify, restrict, or remove listings.

"We felt the meeting was productive and helped to reinforce the separate roles that the leagues, CUNA, and NCUA have in addressing the needs of small credit unions. We were pleased that Bill emphasized that OSCUI wants to continue the dialogue with us and leagues to avoid overlaps regarding our distinct roles in order that support for a network of strong, small credit unions will continue," Dunn said after the meeting.

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\$232M Set Aside for CDRLF, CDFIF in Omnibus Bill

WASHINGTON – A federal spending bill, dubbed the "cromnibus" bill, was passed Saturday night by the U.S. Senate after being passed Thursday by the House. The \$1.014 trillion bill was passed 56-40 in the Senate and 219-206 by the House, and will fund the government through September of next year.

The bill contains legislation and funding for 11 annual appropriations, and includes the previously reported \$230.5 million for the U.S. Department of the Treasury's Community Development Financial Institutions (CDFI) Fund and \$2 million for the NCUA's Community Development Revolving Loan Fund (CDRLF).

The CDFI Fund received \$4 million more than last year, which will go to financial and technical assistance loans or grants to CDFIs. CDFIs are certified by the U.S. Department of the Treasury as specialized financial institutions working in markets underserved by traditional financial institutions.

The CDRLF amount of \$2 million is an increase from the \$1.071 million proposed in previous drafts of the bill. CUNA advocated for the additional funds.

The program is administered by the NCUA and provides grants and loans to low-income designated credit unions for financial services and to stimulate economic activities in local communities.

The legislation was nicknamed "cromnibus" because it combines the broad scope of an omnibus spending bill with a continuing resolution (CR), which continues pre-existing appropriations.

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Spending Bill Fight Keeps Big Banks in Bad Light

WASHINGTON – By pushing hard for a provision that would only benefit Wall Street behemoths, big banks may have "thrust themselves back into the limelight in the worst possible way" during the House fight to pass legislation to fund the U.S. government, according to observations in a Dec. 12 *American Banker* article.

The House voted late Thursday to approve a spending bill, and that

legislation includes an unrelated, bank-supported provision to repeal a Dodd-Frank Act requirement that big banks move a portion of their derivatives business into subsidiaries.

The article observes, "But in finally getting what they wanted, big banks also thrust themselves back into the limelight in the worst possible way, simultaneously reminding the public of their role in causing the financial crisis and in their continuing influence over the various levers of the U.S government.

"In one fell swoop, they undid whatever recovery to their battered reputation they'd made in the past four years and once again cast themselves as the prototypical supervillain in a comic book movie."

Former FDIC chairman Sheila Bair is quoted from an interview on *CNBC* before the House vote. She notes that big banks have taken a lot of reputational hits and now "a lot of people are saying, "You're trying to blackmail us and not fund our government until you get your way."

She added that she hated to see it because the industry needs to be rebuilding trust with the American people right now, and actions like this add to the "cynicism about banks, especially big banks."

The article also notes that Sen. Elizabeth Warren (D-Mass.) tweeted early in the day:

"Citigroup is holding government funding hostage to ram through its government bailout provision. Join me in opposing the #CitigroupShutdown."

The Senate is expected to take up the House-passed funding bill soon.

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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:

January 7 -- [Marketing Roundtable: What's Working for Today's CU Marketers?](#)

January 13 -- [South-Central Chapter Meeting: Development Education](#)

January 14 -- [Reality Fair at Jackson Liberty High School](#)

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

April 13-15 -- [2015 CU Reality Check at the Golden Nugget Atlantic City](#)

April 28 -- [NJCUL's 27th Annual Golf Tournament](#)

June 1 -- North Jersey Federal Credit Union Foundation's Annual Golf Outing

Continuing

June 10 -- [Reality Fair at Ewing High School](#)

July 20 -- Garden Savings FCU's 5th Annual Golf Outing at Fiddler's Elbow Country Club

September 28 -- Picatinny Federal Credit Union 17th Annual Golf Outing

October 4-6 -- NJCUL's 81st Annual Meeting & Convention

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