

Subject: The Daily Exchange -- February 5, 2015
Date: Thursday, February 5, 2015 8:55 AM
From: New Jersey Credit Union League <news@njcul.org>
Reply-To: news@njcul.org
To: staff@njcul.org
Conversation: The Daily Exchange -- February 5, 2015

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

[Unsubscribe](#)

[Update Your Communications Preferences](#)



February 5th, 2015

Today's News:

- › Join Your Peers for a Compliance Roundtable and NJ READ Meeting All in One!
- › CUNA: Reg Impact Must be Considered
- › Share the Love!
- › NCUA to Stream Open Board Meetings Live
- › Bill to Block Abusive Patent Litigation to be Unveiled Today
- › Tuesday: Don't Miss the CFO Roundtable Discussion
- › Breach Concerns Make Consumers Fear Handing Payment Cards to Merchants
- › CUNA *CompBlog*: Seeking Clarification on the New IOLTA Law
- › CFPB Acts on Sham and 'Fee-Harvester' Credit Cards, High-Cost Private Student Loans
- › Credit Unions: Mark Your

Join Your Peers for a Compliance Roundtable and NJ READ Meeting All in One!

Credit union leaders and compliance professionals are invited to a lively roundtable discussion on February 19th from 10:00 a.m. to 12:30 p.m. on the challenges credit unions are experiencing as you work to keep up with regulations as well as state and federal laws...and share solutions that might be working for your credit union!



Then, stick around for the first Regulatory & Examination Assistance & Development (NJ READ) meeting of 2015 immediately following the roundtable from 1:00 p.m. to 2:30 p.m.

Discussions will surround recent effective and upcoming proposed regulation and how credit unions can be a part of shaping new rules. Also, we will discuss examination challenges, steps, and resources to prepare for examinations and how to respond to results.

There is a cost of \$25 per person for Roundtable attendance and no cost to attend the NJ READ meeting.

Click [here to register](#) for the Roundtable. To register for the NJ READ meeting, please send an email to Mary Zelinsky at mzelinsky@njcul.org. Attend one or both!

Executive Leadership Series

Brought to you by the New Jersey Credit Union League 

First ELS Session of the New Year Set for March 3rd

New innovations in technology, shifting customer expectations, cyber security threats, and economic pressures have dramatically changed financial institutions.

Join us for the first Executive Leadership Series (ELS) [session](#) of the New Year on March 3rd at the League office where you'll hear from Joel Abramson on how to reduce costs while investing in innovation to better serve the modern member. Register [here](#).

Upcoming Events:

February 19, 2015



• Regulatory Examination Assistance & Development •

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

CUNA: Reg Impact Must be Considered

CUNA, Broad Coalition Back Bill to Weigh Impact of Rulemaking

WASHINGTON – Legislation that would ensure regulatory rulemaking considers the impact on small businesses is expected to be introduced on the U.S. House floor today and has the support of CUNA.

Legislation that reduces regulatory burden or forces government agencies to take into account the ramifications of regulations is generally supported by CUNA.

The Small Business Regulatory Flexibility Improvements Act of 2015 (H.R. 527) would improve and modernize the Regulatory Flexibility Act (RFA), a 1980 law that requires federal agencies to account for the impact of regulation on small businesses. It would ensure complete analysis of potential impacts on small businesses.

CUNA, along with a variety of trade organizations from confectioners to plastics, believes the bill will improve upon the benefits the RFA brought about.

"Each agency interprets important terms in the existing statute in widely divergent ways and is able to avoid the RFA's requirements as Congress intended," reads the letter, signed by CUNA and several dozen other trade organizations. "This bill would streamline and make uniform those determinations of when the RFA would apply to a rule. Despite limited adherence by federal agencies to the RFA's provisions, the RFA has yielded billions in savings for small businesses."

The bill has 21 co-sponsors—19 Republicans and two Democrats.

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

Share the Love!

It's February...the month of love!

In the spirit of Valentine's Day, we're asking our member credit union folks to share why they love working for credit unions. Email a sentence or two to news@nicul.org or simply reply to this email.

We'll feature your "love" in the February issue of the monthly Exchange newsletter!

**Compliance Roundtable:
Pressing Compliance
Matters**

Location: NJCUL and via
Video Conference
10:00 am to 11:30 pm
[More Information Click Here](#)

February 19, 2015
NJ READ Meeting
Location: NJCUL and via
Video Conference
1:00 pm to 2:30 pm
[More Information Click Here](#)

February 24, 2015
Free Your Marketing Co.
Information Session
Location: NJCUL and via
Video Conference
11:00 am to 1:00 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:



[[BACK TO TOP](#)]

NCUA to Stream Open Board Meetings Live

ALEXANDRIA, Va. – Open meetings of the NCUA Board will be available through online livestreaming beginning this month, the agency announced.

“This is a significant step forward in terms of agency transparency, and I want to thank Vice Chairman Metsger for initiating this idea,” NCUA Board Chairman Debbie Matz said. “Anyone interested in seeing and hearing NCUA Board meetings live will now be able to log in, follow the open Board discussions and get an immediate sense of how regulations and other policy decisions are made. Public education is part of NCUA’s mission and part of the credit union system’s philosophy, and I hope credit union stakeholders will take advantage of this opportunity to be virtually ‘in the room’ watching the policy process move forward.”

People interested in watching the Feb. 19 open Board meeting live will need to register online [here](#). Live captioning will be provided during each meeting for the hearing-impaired.

Participants will receive a confirmation email containing a link they can use to log into the livestream. Participants are encouraged to try that link prior to the meeting, so they can test their computers’ ability to stream the event. Participants with technical questions may consult the online [Quick Start Guide](#) or email audience.support@on24.com.

NCUA will provide a new registration link for each subsequent Board meeting. The agency will continue to post video archives of open Board meetings on its [Web site](#).

[[BACK TO TOP](#)]

Bill to Block Abusive Patent Litigation to be Unveiled Today

WASHINGTON – CUNA continues to urge Congress to tackle abuses of the patent system, and a bill that would combat abusive patent lawsuits is expected to be introduced today by Rep. Bob Goodlatte (R-Va.).

The Innovation Act was first introduced in October 2013 and was approved by the U.S. House in December 2013. Because it was not passed by the Senate, it must be re-introduced to be considered by the 114th Congress.

The bill would remove some financial incentives sought by firms that assert low-quality patents in the hope of quick settlements. CUNA sent letters of support of the bill during the 113th Congress but urged the bill to go further in protecting financial firms from litigation on commonly used technologies.

The previous version of the bill contained several provisions important to credit unions, including one that gives the Patent and Trademark Office director discretion to waive filing fees for appeals.

A CUNA-supported amendment that would require "patent trolls" to identify their parent entity when making a patent infringement claim was also included in the version passed by the House.

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



**Credit
Union Reality
Check**
2015

April 13-15, 2015

Register Today!

www.CURealityCheck.com

Tuesday: Don't Miss the CFO Roundtable Discussion

CFO Roundtable: Managing Operating Costs and More!

**February 10, 2015
10:00 a.m. to 12:30 p.m.**

HIGHTSTOWN, N.J. – CFOs and financial professionals, join your peer for a roundtable discussion of how to manage operating costs and how to best allot funds for investments necessary for future growth such as investments in technology or other products, services or processes.

The CFO Roundtable taking place Tuesday, February 10, is designed to bring like-minded professionals together to use the collaborative spirit of this industry to share best practices, resources and guidance.

This meeting will also include a discussion of relevant educational needs and opportunities for this professional group.

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.



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

Breach Concerns Make Consumers Fear Handing Payments to Merchants

LOS ANGELES – The lack of payment data security at merchant stores has consumers worried—a concern shared by CUNA.

A recent survey by Los Angeles-based Bizrate found that nearly two-thirds of consumers believe merchant payment security is inadequate, a number largely driven by massive data breaches at stores such as Target and Home Depot.

Those under 35 were the least concerned at 45%, while the oldest group, those over 65, worried the most at 77% (Pymnts.com, Feb. 4). Nearly 5,000 people were polled online.

In the Bizrate survey, when asked why they were concerned about payment data at merchant stores, the most common response was because of recent news reports (43%). Further, 12% said they didn't believe the store would take care of them if a problem occurred, and one in six said they were already victims of a breach.

There's something to that growing reluctance from consumers to make purchases at retailers; in the survey, 29% said they were reluctant to make purchases at brick-and-mortar stores.

A recent white paper from Equifax found that not only can theft of personal or payment information create serious problems for consumers financially, but also emotionally.

In a 2013 survey by the Identity Theft Resource Group, identity theft victims recorded emotions such as rage, betrayal, a sense of powerlessness, denial and shame.

"Just like with any financial problem, identity theft victims may experience the emotional effects of stress as they fight to regain their financial footing," said Trey Loughran, Equifax Personal Solutions president. "Victims need to be aware of the emotional toll of identity theft so they can get help if they need it."

CUNA continues to press lawmakers to pass legislation that would require merchants to meet the same strict payment data security standards imposed on financial institutions.

In a recent letter submitted for the record of an upcoming Senate subcommittee hearing on consumer protection, CUNA argued that federal data breach legislation must contain strong national data protections and consumer notification standards, in addition to effective enforcement provisions.

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

CUNA *CompBlog*: Seeking Clarification on the New IOLTA Law

CUNA updated credit unions on the new IOLTA law in the [December Monthly Compliance Wrap-Up](#) and asked that credit unions share issues and concerns so that the association can pass them on to NCUA. CUNA has heard from several credit unions and appreciates the input.

Last week, CUNA sent a [letter to NCUA](#) seeking clarification on a number of IOLTA-related issues, including: coverage, recordkeeping, Call Reports, BSA implications, nonmember shares, and contradictory legal opinion letters.

NCUA has not given CUNA a timeframe for when to expect the amended regulations, but CUNA is hoping to see something this Spring.

CUNA will continue to work with the agency while they draft the proposed and final rules, and asks that credit unions please continue to send questions and concerns regarding the new IOLTA law to CUNA at cucomply@cuna.org.

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

CFPB Acts on Sham and 'Fee-Harvester' Credit Cards, High-Cost Private Student Loans

WASHINGTON – The CFPB announced two actions yesterday that it says will protect consumers from high-cost private student loans and a sham credit card.

The bureau, along with the U.S. Department of Education, took [action](#) against ECMC Group, which owns a number of schools that are part

of Corinthian College, for allegedly "luring tens of thousands of students to take out private loans" in order to cover tuition costs. This was done by advertising bogus job prospects and career services, according to the bureau. The lawsuit also alleges that Corinthian used illegal debt collection tactics to strong-arm students into paying back those loans while still in school.

According to the CFPB, under the Genesis loan program, as it was known, nearly all student borrowers were required to make monthly loan payments while attending school. More than 60% of Corinthian school students defaulted on these high-cost loans within three years.

ECMC must provide more than \$480 million in relief to Corinthian victims, halt lawsuits and improper debt collection practices, remove negative information from student borrowers' credit reports, and implement new consumer protections. It also is banned from offering a private student loan program for seven years.

The Bureau has also has [ordered](#) Continental Finance Company LLC, a subprime credit card company based in Delaware, to refund an estimated \$2.7 million to approximately 98,000 consumers who were charged illegal credit card fees. The agency found that the company's "fee-harvester" subprime credit cards misrepresented certain fees and hit consumers with illegal charges. The order also requires the company to pay a civil penalty of \$250,000.

The CFPB's other recent [action](#) was against the Texas-based Union Workers Credit Services for allegedly duping thousands of consumers into signing up for sham credit cards. The bureau filed a lawsuit against Union Workers Credit Services in December, alleging that the vast majority of the company's revenue was generated from selling a buying-club membership card that it falsely advertised as a general-purpose credit card.

In reality, the card could only be used to buy products from the company. Most consumers never used the membership card but were unable to recoup their membership fees.

Under a proposed consent order, Union Workers Credit Services would pay a civil penalty of \$70,000 and is prohibited from offering any credit products or services.

According to the CFPB, consumers who were harmed by these violations may be eligible for relief from the CFPB's Civil Penalty Fund in the future.

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

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

February 10 -- [CFO Roundtable: Managing Operating Costs and More!](#)

February 10 -- [VirtualCorps Webinar: Understanding Locating and](#)

[Evaluating Auto Loan Participations](#)

February 11 -- [NJ DNA Dinner Meeting](#)

February 17 -- [VirtualCorps Webinar: How to Develop a Simple Investment Strategy for Your Excess Liquidity](#)

February 19 -- [Compliance Roundtable: Pressing Compliance Issues](#)

February 19 -- [NJ READ Meeting](#)

February 24 -- [Free Information Session with Your Marketing Co.](#)

March 3 -- [Executive Leadership Series Session: Six Essentials for Keeping Your Financial Institution Relevant](#)

Industry Events

February 10 -- [NCUA Chairman's Town Hall Meeting with CFPB Director Cordray](#)

February 18 -- [Southern Chapter Meeting: Foundation & Compliance Update](#)

March 3 -- [Deadline for NCUA Grant Round](#)

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](#)

May 20-21 -- [CU Direct's Automotive Lending & Marketing Conference](#)

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

June 5 -- [Reality Fair at Thomas Wallace School](#)

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

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

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](#)