



Marissa Anema <manema@njcul.org>

The Daily Exchange -- May 21, 2015

New Jersey Credit Union League <news@njcul.org>

Thu, May 21, 2015 at 10:00 AM

Reply-To: news@njcul.org

To: staff@njcul.org

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

[Unsubscribe](#)

[Update Your Communications Preferences](#)



The Daily Exchange

May 21st, 2015

Today's News:

- › CU Tax Status' Public Benefits Laid Out in Nussle Letter to House
- › XCEL FCU's Josephine O'Brien Receives Spanish Certificate from Montclair State University
- › May Issue of *The NCUA Report* Now Available
- › Hear from Assemblyman Craig Coughlin at the North-Central Chapter's June 9th Meeting
- › Judge Dismisses NCUA Suit Against US Bank, BoA as RMBS Trustees
- › Archived Webinars Are Available When You Are!
- › New Resource for ID Theft Victims from FTC
- › Consumers Improving Their Credit Management, Bureaus Report
- › Credit Unions, Mark Your Calendars

CU Tax Status' Public Benefits Laid Out in Nussle Letter to House

WASHINGTON – CUNA continues its proactive advocacy approach by reaching out to U.S. House tax policymakers who have mentioned tax reform as one of their top priorities.

Protecting the credit union tax status is a top priority for CUNA, which led President/CEO Jim Nussle to [reach out](#) to House Ways and Means Committee leadership Tuesday.

“Credit unions are Americans’ best option for financial services, and the credit union tax status represents one of the best investments that the government makes in its citizens,” Nussle wrote in a letter sent Tuesday. “We urge Congress to retain and reaffirm the credit union tax status.”

Among the benefits that come with credit unions’ not-for-profit cooperative model include:

- Sustaining a system of cooperative financial services that amounts to an estimated \$10 billion in financial benefits to credit union members and others in 2014 alone, including \$8 billion saved in the form of lower fees and higher deposit account interest rates;
- Nearly half of credit union branches are located in community development financial institutions investment areas. More than half of credit union members who rely primarily on a credit union have incomes between \$25,000 and \$75,000; and
- A lower risk profile that allowed credit unions to continue lending during the recent financial crisis, while other institutions pulled back on lending, having used riskier practices.

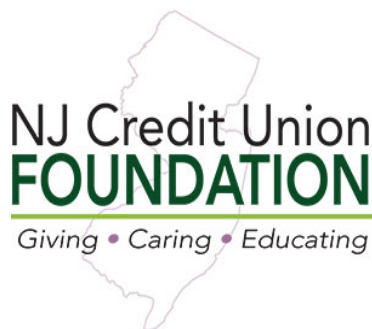


Join the NJ CU Foundation for its 5th Annual Casino Night May 29th!

Registration materials for the NJ CU Foundation's Casino Night are now available!

The event will be held on Friday, May 29th at 6 p.m. at the Renaissance Woodbridge Hotel in Iselin, N.J.

Join us and support a great cause!



Upcoming Events:

June 9, 2015
VirtualCorps Webinar: Basic ALM Education for Board

Nussle added that taxing credit unions would likely make most credit unions disappear, while only adding an amount equivalent to 0.05% of 2014 government spending from those taxes.

Last year House Ways and Means Committee Chair Rep. Dave Camp (R-Mich.) introduced the Tax Reform Act of 2014 (H.R. 1), which retained credit unions' tax status.

"This reflects what we believe is the committee's deep understanding that the structure and mission of credit unions are the bedrock upon which the tax status is based and what makes credit unions unique within the financial services sector," Nussle wrote.

Rep. Bill Pascrell (D-9), a senior member of the House Ways & Means Committee, has spoken strongly in support of retaining the credit union tax exemption.

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

XCEL FCU's Josephine O'Brien Receives Spanish Certificate from Montclair State University

BLOOMFIELD, N.J. – XCEL FCU Business Development Representative Josephine O'Brien recently received a Spanish Certificate in Translation & Interpretation from Montclair State University.

She works with the Hispanic market and does presentations on Financial Literacy in both English and Spanish. Her future plans are to become ATA (American Translators Association) certified and take the NJ Courts Exam this summer.



O'Brien also speaks Italian.

Congratulations!

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

May Issue of *The NCUA Report* Now Available

ALEXANDRIA, Va. – The NCUA announced today the May 2015 issue of *The NCUA Report* is now available [online](#).

This latest issue includes columns from NCUA Board Chairman Debbie Matz, Vice Chairman Rick Metsger and Board Member J. Mark McWatters. Additionally, it contains articles from several NCUA offices on the agency's initiatives and information on supervisory, regulatory and compliance issues that are important to all federally insured credit unions.

Members/Leaders

3:00 pm to 4:00 pm

[More Information Click Here](#)**June 9, 2015****North-Central Chapter Meeting****Location: The Barge, Perth Amboy, NJ**

6:00 pm to 8:30 pm

[More Information Click Here](#)**June 10, 2015****Reality Fair at Ewing High School****Location: Ewing, NJ**

7:00 am to 3:00 pm

[More Information Click Here](#)

The articles in this month's edition include:

- Membership Requirements Eased with Associational Common-Bond Final Rule
- Chairman's Corner: Beauty Is in the Eye of the Beholder
- Consulting Nominations Now Open
- Vice Chairman Metsger's Perspective: Wizards, Angels and Crystal Balls, Oh My!
- Board Member McWatters' Perspective: Room for Improvement
- Board Actions: New Share Insurance Coverage Proposed for Certain Escrow Accounts
- NCUA-SBA Partnership Builds Credit Union Small Business Lending
- NCUA Loans Build Credit Union Capacity to Serve Communities
- NCUA Resources Support Credit Union Efforts to Protect Older Members

Published monthly, *The NCUA Report* is NCUA's flagship publication. The newsletter highlights important NCUA Board actions and key issues that credit union managers, staff and volunteers need to know. For previous issues of *The NCUA Report*, click [here](#).

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

Contact Us:

Address

299 Ward Street
Hightstown, NJ 08520
[Driving directions](#)

Phone

800.792.8861
609.448.2426

Fax

609.448.3499

E-mailinfo@njcul.org

Connect with Us:



Hear from Assemblyman Craig Coughlin at the North-Central Chapter's June 9th Meeting

PERTH AMBOY, N.J. – Join the North-Central Chapter on Tuesday, June 9, 2015 beginning at 6 p.m. at The Barge in Perth Amboy, N.J. for a meeting featuring Assemblyman Craig Coughlin (D-19), Chairman, NJ Assembly Financial Institutions & Insurance Committee.

Assemblyman Coughlin chairs the committee with primary jurisdiction over legislation impacting financial institutions in the state. He has sponsored several credit union-supported bills including electronic lien and titling (ELT) and prize-linked accounts. Other legislation that is currently pending action is his committee includes a data-breach bill, which credit unions strongly support and bills that would require various ATM security upgrades such as 911-call capability which credit unions oppose. The assemblyman will offer his thoughts on events and developments that might affect financial institutions in addition to his priorities as committee chair. This is an excellent opportunity to both hear from an important credit union supporter, and to reinforce our public policy priorities at the State House.



The registration deadline is Tuesday, June 2, 2015.

[Click here for the full registration form.](#)

Chapter meetings are not limited to credit unions in that chapter only. All meetings are open to any NJCUL member credit union, regardless of their chapter affiliation. Please feel free to attend any chapter meeting to mix and mingle!

More Chapter information as well as the dates of all upcoming Chapter meetings is available on the League Web site at www.njcul.org/chapters.aspx.

Please note: Only New Jersey Credit Union League preferred vendors are able to attend New Jersey Credit Union League Chapter events and meetings as vendors.

[[BACK TO TOP](#)]

Judge Dismisses NCUA Suit Against US Bank, BoA as RMBS Trustees

NEW YORK – A U.S. District judge Monday dismissed three lawsuits—including one by NCUA—brought against U.S. Bank, NA and Bank of America, NA regarding their duties as trustees of residential mortgage-backed securities (RMBS).

NCUA filed the lawsuit in December alleging the two banks failed to fulfill their duties as trustees for 99 of the trusts. Despite knowing about defects in the mortgage loans, the complaint said, U.S. Bank and Bank of America failed to provide required notices to certificate holders and other parties and failed to take timely action to force the repurchase, substitution or cure of defective mortgage loans or otherwise preserve trust remedies.

The U.S. District Court judge ruled the NCUA lacked standing to sue U.S. Bank and Bank of America over 74 of the trusts that the agency moved into new, independent trusts (*Bloomberg*, May 19).

Nothing in federal securities law “authorizes NCUA (or the [corporate credit union] for which it acts as liquidating agent) to sue on behalf of separate statutory trusts,” Forrest ruled, according to court documents.

"NCUA is disappointed with the decision, and the agency is considering its options," John Fairbanks, NCUA public affairs specialist, told CUNA in an email.

According to court documents, plaintiffs will have an opportunity to re-plead.

Five corporate credit unions—U.S Central, WesCorp, Members United, Southwest and Constitution—purchased roughly \$5.8 billion in RMBS issued from the trusts between 2004 and 2007. Those securities lost value, contributing to the failure of all five.

[[BACK TO TOP](#)]

Archived Webinars Are Available When You Are!

Archived Webinars

Did you know you can order archived webinars long after the live program is over? Since the archived links are available for six months following the live broadcast, you can order any time during that six months. In addition, the archive page has a search function where you can search by key word or topic for archived or upcoming webinars.

[Click here to see a complete list of available archived webinars.](#)

Be sure to bookmark this page!

The archived webinar link is a recording of the live event, including audio, visuals, handouts, and the speaker's email address for follow-up questions. Archive orders also include a free CD ROM.

[Questions?](#)

[Join Our Mailing List](#)

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.



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

New Resource for ID Theft Victims from FTC

The [Federal Trade Commission has announced](#) the launch of a new website, [IdentityTheft.gov](#) for victims to report and recover from identity theft. The new website provides an interactive checklist that walks people through the recovery process and helps them understand which recovery steps should be taken upon learning their identity has been stolen.

There is a page devoted to [sample letters](#), specialized tips for specific forms of identity theft, and [advice](#) for people who have been notified that their personal information was exposed in a data breach.

A [Spanish version](#) of the site is also available.

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

Consumers Improving Their Credit Management, Bureaus Report

NEW YORK – Three of the nation's leading credit bureaus released

delinquency data this week, and on the whole it appears consumers are getting a solid handle on their credit.

Experian reported that its composite index, which tracks a broad spectrum of consumer credit defaults, slipped to a historical low of 0.97% in April, an 8-basis-point decrease and the lowest number since July 2014.

Within the composite index, second-mortgage defaults also recorded historical lows, while auto-loan defaults posted a second straight monthly drop and first-mortgage defaults slimmed for the third consecutive month.

“We’re seeing borrowers become increasingly better at making on-time payments, but we’re also seeing a faster rate of amortization due to low interest rates,” said Amy Crews Cutts, Equifax chief economist. “Because a larger portion of each payment is going to principal, consumers are now paying off their mortgage debts faster than they would have a few years ago.”

Equifax reported that severe delinquency rates on mortgages fell across the board in the first quarter, with the rate for first mortgages dropping to 2.35% from 3.27%, the rate for home-equity installment loans slipping to 1.98% from 2.59%, and the rate for home-equity revolving lines of credit narrowing to 1.47% from 1.71%.

That, all despite an uptick in subprime lending.

On a year-over-year basis, home-equity lines of credit accounts jumped 36% in the first quarter for those with credit scores 620 or below.

TransUnion reported similar trends.

The delinquency rate on credit cards was unchanged on an annual basis in the first quarter, at 1.37%, while the average balance per borrower fell to \$5,142 from \$5,168 over that stretch, according to the credit bureau.

TransUnion also found that the number of credit card accounts climbed year-over-year in the first quarter, with the subprime market representing a larger piece of all new credit card originations.

“As the number of credit card accounts continues to rise, we’re seeing the non-prime population take a larger share of new credit card originations--showing an increase of 5.1 points since last year,” said Nidhi Verma, director of research and consulting for TransUnion’s financial services business unit.

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

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 6 -- [Small Credit Union Conference: Driven to Succeed](#)

June 9 -- [VirtualCorps Webinar: Basic ALM Education for Board](#)

Members/Leaders

June 16 -- [VirtualCorps Webinar: Strategic Planning Prep](#)

June 19 -- [Compliance Conference: Managing Dynamic Change](#)

June 13 -- [VirtualCorps Webinar: Negotiating Your Executive Compensation Package](#)

June 24 -- [Marketing Roundtable: Growing Loans, Attracting New Members & Increasing Share of Wallet/Penetration](#)

Industry Events

May 27 -- [Southern Chapter Meeting: Cyber Security](#)

May 29 -- [New Jersey Credit Union Foundation 5th Annual Casino Night](#)

June 1 -- [North Jersey Federal Credit Union Foundation's Annual Golf Outing](#)

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

June 9 -- [North-Central Chapter Meeting: NJ CU Legislation](#)

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

July 20 -- [Garden Savings FCU's 5th Annual Golf Outing at Fiddler's Elbow Country Club](#)

July 30 -- [American Dream 5K Sponsored by Affinity FCU](#)

October 4-6 -- [NJCUL's 81st Annual Meeting & Convention](#)

November 6-8 -- [DCUL's 2015 Volunteer Leadership Conference](#)

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

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](#)

