



April 2011 – INTERSTATE CAPITOL COMMENTS

Community Bankers Association of Kansas
3003 SW Van Buren, Suite A * Topeka, KS 66611 * Phone: 785-271-1404 * Fax 785-271-1508
info@cbak.com * www.cbak.com

(To access a blue underlined hyperlink, place your cursor on the link, use Ctrl + Click and the page will open.)



21ST ANNUAL CBA CHAIRMAN'S GOLF CLASSIC

WHERE

Manhattan Country Club
1531 N. 10th St.
Manhattan, KS 66502

WHEN

Monday, May 16, 2011
1:00 p.m. – Shotgun Start

For more information or to register for the tournament please go to www.cbak.com or call 785-271-1404.

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Recent News

FAQs on the FDIC's Overdraft Payment Supervisory Guidance

FDIC staff developed the following FAQs and answers in response to questions from supervised institutions and third-party vendors about the [FDIC's Overdraft Payment Supervisory Guidance](#) issued in November 2010 (FIL-81-2010) (Guidance). The responses represent the views and opinions of FDIC staff regarding incorporation of the Guidance into the examination process.

Comment: The FAQs clear up that the FDIC will allow financial institutions to provide enhanced periodic statements as meaningful and effective follow-up regarding excessive or chronic users of overdraft programs. The FAQ clarifies the difference between automated and ad hoc programs. It gives \$10 as an example of a de minimis overdraft amount and clarifies "reasonable and proportional overdraft fee." It ends with illustrations of meaningful and effective follow-up.

IRS 1099 repeal legislation signed by the President

The Senate passed by a vote of 87 to 12 the "Small Business Paperwork Mandate Elimination Act," H.R. 4, without amendment. The House passed the identical bill, H.R. 4, last month. The Menendez amendment, which would have required a study of the revenue offset in H.R. 4 before repeal of the 1099 reporting requirement could go into effect, failed by a vote of 41 to 58. H.R. 4 was sent to the President who signed it into law.

Comment: This repeals the 1099 tax reporting provision of the health care reform law that would have required businesses to file 1099 forms when they purchased \$600 or more in goods and services from another business in a given year. Thanks to all of you who contacted your federal Representatives urging repeal of this onerous reporting requirement included in last year's health care law.

Stay lifted on mortgage originator compensation rule

The Federal Reserve Board's mortgage originator compensation [rule](#), which was originally slated to take effect on April 1, 2011, was delayed so that a federal court could consider the merits of emergency motions filed by the National Association of Mortgage Brokers and the National Association of Independent Housing

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FINE POINTS

**By Camden R. Fine
President and CEO of ICBA**

**‘TBTF’—
Let’s Finish the Job**

You’ve heard the line before, “The more things change the more they stay the same.” While it’s cliché, I think of it every time I hear megabanks are posting another profit or Wall Street is handing out yet another million-dollar bonus. As the economy rebounds, it’s easy to see there hasn’t been a full-fledged demise of the too-big-to-fail financial institutions. Instead, they are alive, well and more concentrated than ever before. So the saying goes ...

Professionals. On April 5, 2011, the court issued an [order](#) denying the motions and the rule took effect.

Comment: The lawsuits are far from over, but for now, the rule is effective. You need to make sure that your bank has implemented it. Click [here](#) to read highlights of the rule.

OCC Supervisory Guidance on Model Risk Management

The OCC has adopted [Supervisory Guidance on Model Risk Management](#). This guidance, developed jointly with the Board of Governors of the Federal Reserve System, articulates the elements of a sound program for effective management of risks that arise when using quantitative models in bank decision making. It also provides guidance to OCC examining personnel and national banks on prudent model risk management policies, procedures, practices, and standards.

Comment: National banks should ensure that their model risk management policies, procedures, and practices are consistent with this supervisory guidance. Practical application of this guidance should be commensurate with a bank’s risk exposures and business activities, and with the extent and complexity of model use.

FinCEN Reminds the Public to be Wary of Fraudulent Correspondence and Phone Calls

FinCEN reminds the public to be alert to ongoing financial scams that attempt to solicit funds from unsuspecting victims. ([Press Release](#))

FinCEN has been receiving calls and reports of financial scam attempts conducted via telephone. In this scam the caller represents himself/herself as an employee of FinCEN and asks for the victim by name, usually at the victim’s home telephone number. The caller will identify an outstanding debt; this debt may be actual or bogus. The caller will provide the victim with the victim’s account, Social Security or other similar number and demand that immediate payment be made. The caller’s knowledge of the victim’s name, telephone number, account description and personal information serve to legitimize the caller.

FinCEN also has become aware of another financial scam conducted via e-mail and telephone in which an individual claiming to be a representative of the U.S. Department of the Treasury or FinCEN informs the victim that he/she has received a large Treasury Department grant. To obtain the grant, the victim is instructed to provide bank account information and make some type of initial payment or donation.

Comment: For additional information on money laundering scams, please see the following:

- [FinCEN Reminds Public to be Aware of Financial Scams](#)
- [FinCEN Issues a Warning Notice Against Fraudulent Stop Order Scams](#)
- [Treasury Warns Public About E-Mail Scams](#)
- [Resources for Victims](#)
- [Federal Trade Commission’s Identity Theft Web site](#)
- [U.S. Treasurer’s Financial Literacy Initiatives](#)

OCC hosts directors’ workshops

The Office of the Comptroller of the Currency will host [workshops for directors](#) of nationally chartered community banks and federal savings associations in Houston at the InterContinental Houston, May 10-11, 2011.

Fraudulent OCC Alert sent to bank customers

A fraudulent Alert, allegedly issued by the OCC regarding funds purportedly under the control of the OCC and other government entities, is in circulation. The fictitious Alert and related correspondence may be distributed via e-mail, fax, or postal mail.

Any document claiming that the OCC is involved in holding any funds for the benefit of any individual or entity is fraudulent. The Alert may indicate that funds are being held by the Comptroller of the Currency because of the need for a “Non-Resident Cooperate and Individual Tax document.

Click [here](#) to see a copy of this fraudulent Alert, which is being sent to U.S. bank customers. The correspondence in question contains a forged signature of an actual OCC official (John Walsh). In addition, the material contains a fictitious name and telephone

However, in the everyday efforts toward economic recovery and amid the relative lull between lawmaking and rulemaking under the Dodd-Frank Wall Street Reform and Consumer Protection Act, others' memories are softening. The shock of those scary hours and days during the financial meltdown has faded, even for some Washington policymakers who served during those precarious times.

Of course, the Wall Street crowd wants us to forget or to divert our attention from their bailouts and the billions they are making from them. ICBA and community bankers know better. For years and even decades, confronting apathy and some ridicule, we pressed on to continually educate policymakers, the media and the public about the imperative of reversing the momentum of overconcentration. We sounded the alarm, and nobody listened—until it was too late.

While ICBA and community bankers were remarkably successful in keeping strong, effective systemic-risk measures in the final Wall Street Reform Act, we've just begun this journey. A host of Wall Street reform rules still must be written, approved and implemented. Regulations to impose higher capital standards, set liquidity and leverage requirements, enforce concentration limits, implement continually updated resolution plans and other restrictions on the largest banks and financial firms are being discussed more than implemented. Even defining systemically risky institutions needs to be decided.

Giving our toil and treasure and putting our reputations on the line, ICBA and community bankers successfully ensured that measures to eliminate and

number that is not associated with the OCC.

Comment: Pass this along to your customers and your front line employees.

Fed finalizes Reg. Z amendment implementing the Credit Card Act

The Federal Reserve approved a [rule](#) amending Reg. Z to clarify aspects of prior Board rules implementing the Credit Card Act. The Credit Card Act requires that, before opening a new credit card account or increasing the credit limit on an existing account, card issuers consider a consumer's ability to make the required payments on the account. The rule states that credit card applications generally cannot request a consumer's "household income" because that term is too vague to allow issuers to properly evaluate the consumer's ability to pay. Instead, issuers must consider the consumer's individual income or salary.

In addition, the Board's rule clarifies that:

* Promotional programs that waive interest charges for a specified period of time are subject to the same Credit Card Act protections as promotional programs that apply a reduced rate for a specified period. For example, a card issuer that offers to waive interest charges for six months will be prohibited from revoking the waiver and charging interest during the six-month period, unless the account becomes more than 60 days delinquent.

* Application and similar fees that a consumer is required to pay before a credit card account is opened are covered by the same limitations as fees charged during the first year after the account is opened. Because the total amount of these fees cannot exceed 25 percent of the account's initial credit limit, a card issuer that, for example, charges a \$75 fee to apply for a credit card with a \$400 credit limit generally will not be permitted to charge more than \$25 in additional fees during the first year after account opening.

Comment: This rule is effective October 1, 2011, though creditors may voluntarily comply with it earlier.

HUD issues RESPA guidance on mortgage loan originator compensation

HUD's, Office of Housing, Office of RESPA and ILS, issued additional guidance on how mortgage loan originators (MLO) comply with RESPA, in light of the Federal Reserve's (FRB) Loan Originator Compensation rule. This guidance seeks to clarify RESPA requirements related to proper disclosure on the GFE and HUD-1 settlement statement. [RESPA Roundup](#).

Comment: In applying this guidance, please also review the RESPA regulations, including the instructions for completing the GFE and HUD-1 forms, found at Appendix C and Appendix A, respectively, and refer to the relevant sections of the [FAQs](#).

FFIEC approves Reg. Z exam procedures

The Task Force on Consumer Compliance of the FFIEC recently approved [interagency examination procedures for Reg. Z](#). These revised procedures supersede the Reg. Z interagency examination procedures transmitted with [CA Letter 11-1](#). For more information, see [CA Letter 11-3](#).

Comment: The revisions include final rules on loan originator compensation and amendments implementing the appraisal independence provisions of the Dodd-Frank Act.

FDIC change of address affects Fair Housing posters and Adverse Action Notice forms

The FDIC announced a change in address for its national Consumer Response Center within the Division of Depositor and Consumer Protection. This address change requires all FDIC-supervised financial institutions to update certain consumer notices as soon as practicable. ([FIL-18-2011](#))

* The FDIC's Consumer Response Center (CRC) receives, investigates, and responds to consumer complaints and other inquiries involving depository institutions supervised by the FDIC (state nonmember banks and insured state branches of foreign banks).

* Effective March 28, 2011, the CRC will have a new mailing address, as follows:

monitor systemic risks included in the Wall Street Reform Act were strong. We pushed for the creation of the Financial Stability Oversight Council, the Fed's nonbank systemic-risk powers and the FDIC's expanded liquidation authority. How regulators implement those measures, however, will determine whether they are successful and whether new legislation will be necessary. In March, ICBA recommended that Congress enact additional measures, such as establishing a prefunded resolution fund, adopting antitrust provisions that consider the effect of systemic risk and imposing a lower deposit concentration cap.

Regardless, we must focus on finishing the job. With our members, ICBA will continue to stand watch and speak out to ensure that the most effective regulations are adopted and implemented to finally end too-big-to-fail. We will fight together so that as many large or interconnected financial firms are regulated as much as possible. And we will not back away from holding regulators accountable to exercise these new authorities and downsize systemically dangerous institutions—before another financial crisis happens.

Yes, we have an epitaph to write. It's our place in history as community bankers to ensure that it's not a premature or wildly exaggerated one. Let's make sure TBTF finally does fail for good—the good of us all.

FDIC
Consumer Response Center
1100 Walnut St, Box #11
Kansas City, MO 64106

Comment:

- *To ensure the CRC receives consumer complaints promptly, FDIC-supervised institutions should update their Adverse Action Notice forms and Fair Housing posters to reflect the CRC's new mailing address as soon as practicable.*
- *Updated Fair Housing posters may be obtained at no cost from the FDIC's Public Information Center, 3501 Fairfax Drive, E-1014, Arlington, VA 22226 (877-275-3342 or 703-562-2200) or through FDICconnect.*
- *This change does not affect CRA notices.*
- *This change is applicable only to FDIC-supervised institutions. Federally chartered banks, credit unions, and other institutions supervised by another federal bank regulatory agency are not affected by this change of address.*

CFPB General Counsel on timing obligation to collect and report information

The General Counsel of the CFPB issued a [letter](#) to financial institution CEOs in response to inquiries the CFPB received regarding the timing of financial institutions' obligations under section 1071 of the Dodd-Frank Act. Section 1071 amends the Equal Credit Opportunity Act to require that financial institutions collect and report information concerning credit applications made by women- or minority-owned businesses and by small businesses.

Comment: The bottom line is that financial institutions' obligations under section 1071 do not go into effect until the Bureau issues necessary implementing regulations.

CFPB and Attorneys General agree on Joint Statement of Principles

The CFPB and the Presidential Initiative Working Group of the National Association of Attorneys General (NAAG) [announced](#) agreement on a Joint Statement of Principles, the first step in forging a new partnership between federal and state officials to protect consumers of financial products and services.

NMLS adds an FAQ Web page on federal registration

The NMLS added a Web page entitled: [Federal Registry FAQ](#).

Dodd-Frank Act agency actions

Note to the Reader: This section is devoted to matters relating directly to the Dodd-Frank Act. In this section, we will report on both proposed and final rulemaking. We don't usually report on proposed rulemaking because readers can confuse the proposals with final rules; however, an exception will be made with respect to selected rules proposed in response to the Dodd Frank Act. Please be aware that rules listed as proposed have not been adopted by the regulators. We encourage you to comment on proposals.

Final rules:

Final rule: Coverage of consumer protection regulations on credit transactions and leases expanded

The Federal Reserve adopted two rules expanding the coverage of consumer protection regulations to credit transactions and leases of higher dollar amounts. The final rules amend [Reg. Z](#) and Reg. M (Consumer Leasing) to implement a provision of the Dodd-Frank Act.

Comment: Effective July 21, 2011, the Dodd-Frank Act requires that the protections of the Truth in Lending Act and the Consumer Leasing Act apply to consumer credit transactions and consumer leases up to \$50,000, compared with \$25,000 currently. This amount will be adjusted annually to reflect any increase in the consumer price index.

Proposed rules:

Proposed repeal Reg. Q prohibition against payment of interest on demand deposits
The Federal Reserve requested comment on a [proposed rule](#) to repeal the Board's Regulation Q, which prohibits the payment of interest on demand deposits by



FROM THE TOP

By Sal Marranca
Chairman of ICBA

E Pluribus Unum

As your chairman, I'm honored to be a leader of ICBA. But I'm far from the only one. President and CEO Cam Fine shows up in print, on TV, online and on Capitol Hill to press our case with all audiences. Our Executive Committee members work long hours on difficult long-term issues. Our staff monitors legislation, tracks regulatory proposals, makes our views heard and supplies the products, services and education that improve our work as community bankers. And leadership volunteers—your colleagues—vet vendors, direct our policy positions, and develop educational and member programs that benefit us all.

ICBA doesn't have one leader or two; it has many. And from those many leaders at all levels comes our powerful united voice, the voice of community banks and bankers speaking out as one. No functional organization rests on the back of one person.

So where do you fit in? I know you're a leader at your community bank. At any moment, you may be called on to become more of a leader—at work, in your community or in ICBA—and that can't be delegated. Are you ready?

Before you say no, consider my position 29 years ago at Cattaraugus County Bank. I'd been on the job two weeks when the board fired our CEO. Suddenly 20 employees, not to mention customers and stockholders, looked to me for leadership.

"Oh, bleep!" I thought. But my first act as a leader was not panicking. My

institutions that are member banks of the Federal Reserve System. The proposed rule would implement Section 627 of the Dodd-Frank Act, which repeals Section 19(i) of the Federal Reserve Act in its entirety effective July 21, 2011. The Board is seeking comment on whether the repeal of Regulation Q is expected to have implications for balance sheets and income of depository institutions, short-term funding markets such as overnight federal funds market, the demand for interest-bearing demand deposits, and competitive burden on smaller depository institutions.

Comment: The repeal of Regulation Q will have devastating effects on all banks' cost of funds and lendable funds to small business customers. [Bankers Against the Repeal of Regulation Q \(BARRQ\)](#) was organized to educate bankers and Congressional officials in hopes that federal legislation can be enacted before the July deadline to reinstate the prohibition, and replace it with an amendment to Regulation D which would expand the number of permissible money market transfers available to business customers today. The BARRQ website has a calculator where you simply enter your bank's routing number to determine the impact.

Comments on the proposal must be submitted within 30 days from the date of publication in the Federal Register, which is expected shortly.

Proposed Reg. Z rule on incentive based compensation arrangements

The OCC, Board, FDIC, OTS, NCUA, SEC, and FHFA [proposed rules](#) to implement section 956 of the Dodd-Frank Act. The proposed rule would require the reporting of incentive based compensation arrangements by certain financial institutions with more than \$1 billion in assets and prohibit incentive-based compensation arrangements at a covered financial institution that provide excessive compensation or that could expose the institution to inappropriate risks that could lead to material financial loss.

Comment: The agencies request comments on the proposed rule by May 31, 2011.

Proposed risk retention rule

The Agencies proposed a rule that would require sponsors of asset-backed securities (ABS) to retain at least 5 percent of the credit risk of the assets underlying the securities. The rule would provide sponsors with various options for meeting the risk-retention requirements of the Dodd-Frank Act. As required by the Dodd-Frank Act, the proposed rule includes a variety of exemptions from these requirements, including an exemption for U.S. government-guaranteed ABS and for mortgage-backed securities that are collateralized exclusively by residential mortgages that qualify as "qualified residential mortgages" (QRMs). The proposal would establish a definition for QRMs—incorporating such criteria as borrower credit history, payment terms, down payment for purchased mortgages, and loan-to-value ratio—designed to ensure they are of very high credit quality. The proposed rule would also allow Fannie Mae and Freddie Mac to satisfy their risk-retention requirements as sponsors of mortgage-backed securities through their 100 percent guarantees of principal and interest for as long as they are in conservatorship or receivership with capital support from the U.S. government.

Comment: Comments must be received by June 10, 2011.

Publications, reports, studies, testimony & speeches

- **FinCEN: SARs on CRE fraud by depository institutions**

FinCEN today released its analysis of SARs that call attention to possible fraud in the commercial real estate financing arena. The analysis, [Commercial Real Estate Financing Fraud Suspicious Activity Reports by Depository Institutions](#), found that reported incidences of suspicious activity in commercial real estate financing as reported by depository institutions filing SARs almost tripled between 2007 and 2010, the period which FinCEN examined. FinCEN has also released a [Commercial Real Estate Fraud Advisory](#) to assist financial institution efforts to help law enforcement target this type of fraudulent activity. The advisory provides some examples of common commercial real estate fraud (CREF) schemes and also suggests financial institutions use the term "CREF" when completing SAR narratives involving potential commercial real estate fraud.

second was to assess the options, listen to concerns and fix the problems. Third was to set a new course, communicate it and demonstrate it consistently to staff, customers, shareholders and regulators.

No, I don't wear a cape. It's amazing how many people have heard this story and told me, "Yup, I've been there, too." The surprising thing is how many find it in themselves to step up when needed.

Leadership is not intimidation but conviction, not noisy and wild but quiet and deep. You can be a leader wherever you are in the hierarchy—after all, in the military, a general may have the big picture, but the head of a platoon still needs to get his or her people to fulfill their part of it.

A leader is honest. A leader adapts in the face of adversity. A leader looks for that big picture and articulates it to all who need to know. A leader makes the hard decisions in the interests of those he or she serves.

And a leader thinks beyond his or her bank. What's going on in the larger economy? In government? Among peers and within the association? Even in the emotional, cultural and artistic realms, leaders continue to broaden themselves. As John F. Kennedy said, "Leadership and learning are indispensable to each other."

People want to be inspired. Being a leader at any level can be unnerving and exhausting, but it's worthwhile. If you're at the top of your community bank, can you be a leader in your state association or in ICBA? If you're not at the top, can you lead your team, your department, yourself? Picture what that would look like—and step up.

Sal Marranca is president and CEO of Cattaraugus County Bank in Little Valley, N.Y.

- **Fed Consumer Compliance Outlook**

The Fed has issued its [Consumer Compliance Outlook](#) for First Quarter 2011 covering: **Corrected disclosure for an overstated APR, compliance guide for small entities, news from DC, regulatory calendar, webinars, calendar of events, and recent federal court decisions.**

- **FRB Services issues News from FedACH**

The Federal Reserve Bank Services issued its March 2011 edition of [News from FedACH](#).

- **FedFocus**

The April 2011 issue of [FedFocus](#) contains articles on saving time and money with electronic check adjustments, assisting customers switch to electronic federal benefits, and enhancements to FedACH Risk RDFI File Alert Service.

- **Fed's Beige Book**

This edition of the Federal Reserve's Beige Book was prepared by the Federal Reserve Bank of Richmond with information collected before April 4, 2011.

Comment: Seven Districts noted or expected disruptions to sales and production as a result of the tragedy in Japan.

- **FDIC Quarterly**

The [FDIC Quarterly](#) provides a comprehensive summary of financial results for the banking industry, along with the feature article: "Microenterprise Development: A Primer."

- **FinCEN's 2010 Mortgage Fraud Report**

FinCEN in its new report, [Mortgage Loan Fraud SAR Filings In Fourth Quarter and Calendar Year 2010](#), today released full year data showing the number of suspicious activity reports involving mortgage loan fraud (MLF SARs) increased 4 percent in 2010 to 70,472 compared with 67,507 MLF SARs filed in 2009. The report also shows that the growth rate of MLF SARs began to slow over the last two to three years. Looking at just the 2010 fourth quarter, filers submitted 18,759 MLF SARs, a 1 percent decrease from the 18,884 filings over the same period in 2009.

- **OCC Community Development Insights**

This [Insights](#) report highlights two federal loan guarantee programs that help lenders and business borrowers finance the export of goods and services. The U.S. Small Business Administration (SBA) Export Working Capital Program (EWCP) and the Export-Import Bank of the United States (Ex-Im Bank) Working Capital Guarantee Program (WCGP) work in a complementary fashion to guarantee loans made by commercial lenders to qualified exporters.

- **FedFlash**

April [FedFlash](#) includes upcoming FedLine user authentication enhancements, Fed support for Windows 7, change to FedPhone access solution, and revised check adjustments webinar.

- **FTC submits debt collection practices report to Congress**

The FTC issued its [33rd annual report](#) describing the agency's law enforcement and other efforts to protect consumers from unfair, deceptive, and abusive debt collection practices.

Comment: The top three categories of complaints about third-party collectors were:

- * *calling repeatedly or continuously;*
- * *misrepresenting the character, amount, or status of the debt (including demanding a larger payment than is permitted by law); and*
- * *failing to send consumers a statutorily required written notice about the debt and their rights.*

The report notes that there will be changes in FDCPA administration under the Dodd-Frank Act. As of July 21, 2011, the CFPB will have the authority to issue rules under the FDCPA governing debt collection practices. Both the FTC and the CFPB will have the power to enforce the FDCPA and any rules issued under it. Future annual reports to Congress on the administration of the FDCPA will be prepared by the CFPB.

- **Bernanke speaks to ICBA**

Click [here](#) to read Chairman Ben S. Bernanke's speech at the ICBA Convention, entitled

“Community Banking in a Period of Recovery and Change.”

Comment: Chairman Bernanke closed his speech with this: “Community banks face substantial challenges in the months and years to come, including still-difficult economic conditions, continued uncertainties in real estate and other key markets, and a changing regulatory environment. But community banks have faced difficult times before, and the industry has remained vibrant and resilient. I am confident that community banking will successfully navigate these new challenges as well. Thank you for what you do every day to meet the needs of your communities and to help our economy grow stronger.”

How to submit comments to your federal regulators:

Office of the Comptroller of the Currency: Because paper mail in the Washington, DC area and at the OCC is subject to delay, commenters are encouraged to submit comments by the Federal eRulemaking Portal or e-mail, if possible. Please use the title in the Federal Register publication of the proposal. You may submit comments by any of the following methods:

- Federal eRulemaking Portal—Regulations.gov: Go to
- <http://www.regulations.gov>. Select “Document Type” of “Proposed Rule”, and in “Enter Keyword or ID Box”, enter the docket number found in the Federal Register publication of the proposed rule and click “Search.” On “View By Relevance” tab at bottom of screen, in the “Agency” column, locate the proposed rule for OCC, in the “Action” column, click on “Submit a Comment” or “Open Docket Folder” to submit or view public comments and to view supporting and related materials for this proposed rule.
- Click on the “Help” tab on the Regulations.gov home page to get information on using Regulations.gov, including instructions for submitting or viewing public comments, viewing other supporting and related materials, and viewing the docket after the close of the comment period.
- E-mail: regs.comments@occ.treas.gov
- Mail: Office of the Comptroller of the Currency, 250 E Street, SW., Mail Stop 2-3, Washington, DC 20219.
- Fax: (202) 874-5274.
- Hand Delivery/Courier: 250 E Street, SW., Mail Stop 2-3, Washington, DC 20219.

Instructions: You must include “OCC” as the agency name and the docket number in your comment. In general, OCC will enter all comments received into the docket and publish them on the Regulations.gov Web site without change, including any business or personal information that you provide such as name and address information, e-mail addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure.

Do not enclose any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Board of Governors of the Federal Reserve System: You may submit comments, identified by the docket number and the RIN number found in the Federal Register publication of the rule proposal, by any of the following methods:

- Agency Web Site: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include the docket number and RIN number in the subject line of the message.
- Fax: (202) 452-3819 or (202) 452-3102.
- Mail: Address to Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551.

Federal Deposit Insurance Corporation: You may submit comments, identified by RIN number, by any of the following methods:

- Agency Web Site: <http://www.FDIC.gov/regulations/laws/federal/propose.html>.
- Follow instructions for submitting comments on the Agency Web Site.

- E-mail: Comments@FDIC.gov. Include the RIN number on the subject line of the message.
- Mail: Robert E. Feldman, Executive Secretary, Attention: Comments, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.
- Hand Delivery: Comments may be hand delivered to the guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7:00 a.m. and 5:00 p.m.

Instructions: All comments received must include the agency name and RIN for this rulemaking and will be posted without change to <http://www.fdic.gov/regulations/laws/federal/propose.html>, including any personal information provided.

Office of Thrift Supervision: You may submit comments, identified by docket number found in the Federal Register publication of the proposed rule, by any of the following methods:

- Federal eRulemaking Portal – Regulations.gov: Go to <http://www.regulations.gov> and follow the directions.
- E-mail: regs.comments@ots.treas.gov. Please include the Docket number in the subject line of the message and include your name and telephone number in the message.
- Mail: Regulation Comments, Chief Counsel’s Office, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, Attention: [Insert docket number]
- Facsimile: (202) 906–6518.
- Hand Delivery/Courier: Guard’s Desk, East Lobby Entrance, 1700 G Street, NW., from 9 a.m. to 4 p.m. on business days, Attention: Regulation Comments, Chief Counsel’s Office, Attention: [Insert docket number].

Instructions: All submissions received must include the agency name and docket number for this rulemaking. All comments received will be entered into the docket and posted on Regulations.gov without change, including any personal information provided. Comments, including attachments and other supporting materials received, are part of the public record and subject to public disclosure.

Do not enclose any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Selected upcoming federal compliance dates:

- | | |
|------------|---|
| 05.01.2011 | Interim final rule to implement statutory restrictions on the garnishment of Federal benefit payments and establish procedures that financial institutions must follow when they receive a garnishment order against an account holder who receives certain types of Federal benefit payments by direct deposit. |
| 07.01.2011 | FDIC Overdraft Payment Supervisory Guidance . The FDIC expects that any additional efforts to mitigate risk would be in place by July 1, 2011. |
| 07.21.2011 | This is the transfer date when the CFPB will be vested with the consumer protection authorities currently held by the existing federal financial regulators, such as the Federal Reserve and the FDIC. |
| 07.21.2011 | The final rules amend Reg. Z and Reg. M (Consumer Leasing) to implement a provision of the Dodd-Frank Act, which requires Truth in Lending Act and the Consumer Leasing Act apply to consumer credit transactions and consumer leases up to \$50,000, compared with \$25,000 currently. This amount will be adjusted annually to reflect any increase in the consumer price index. |
| 07.22.2011 | Effective date of the repeal of Reg Q’s prohibition on payment of interest on commercial checking accounts. A rule has been proposed to implement this. |
| 10.01.2011 | Clarification of Reg Z Credit Card Act and official staff commentary. |

Comment: Distribute this calendar to your CEO, CFO, Compliance Officer, and Operations Officer.

Selected federal compliance dates from the not-so-distant past:

Our list of past final rule effective dates is limited to 12 months. To see final rules with effective dates more than 12 months old, click [here](#).

- 04.01.2011 [Final rule](#) amending Reg. Z increases from 1.5 to 2.5 percentage points the APR threshold for determining whether a jumbo mortgage secured by a first lien on a consumer's principal dwelling is a HPML for which an escrow account must be established.
- 04.01.2011 [Reg. Z](#) – Amendment to protect consumers in the mortgage market from unfair or abusive lending practices that can arise from certain loan originator compensation practices.
- 04.01.2011 Fed's [final rule](#) to implement the conformance period during which banking entities and nonbank financial companies supervised by the Board must bring their activities and investments into compliance with the prohibitions and restrictions on proprietary trading and relationships with hedge funds and private equity funds imposed by the "Volcker Rule.
- 04.01.2011 FDIC [final rule](#) on Assessments, Dividends, Assessment Base, and Large Bank Pricing. This new large bank pricing system will result in higher assessment rates for banks with high-risk concentrations, less stable balance sheet liquidity, or potentially higher loss severity in the event of failure. **Except as specifically provided, the final rule will take effect for the quarter beginning April 1, 2011, and will be reflected in the June 30, 2011 fund balance and the invoices for assessments due September 30, 2011.**
- 03.28.2011 FinCEN [final rule](#) to amend BSA regulations regarding reports of foreign financial accounts.
- 03.15.2011 [Nondiscrimination on the Basis of Disability Final Rules](#) – Effective dates of new [ADA requirements for ATMs](#).
- 01.31.2011 [Reg. E](#) – This is the delayed effective date pursuant to [H.R. 5502](#). The final rules prohibit dormancy, inactivity, and service fees on [gift cards](#) unless: (1) the consumer has not used the certificate or card for at least one year; (2) no more than one such fee is charged per month; and (3) the consumer is given clear and conspicuous disclosures about the fees. Expiration dates for funds underlying gift cards must be at least five years after the date of issuance, or five years after the date when funds were last loaded.
- 01.30.2011 [Reg Z](#) –The interim rule revising the disclosure requirements for closed-end mortgage loans is effective for all applications received on or after January 30, 2011.
- 01.03.2011 [Official FDIC sign](#) – New FDIC signs must be posted showing the \$250,000 minimum insurance amount.
- 01.01.2011 [FACT Act](#) – Generally require a creditor to provide a consumer with a notice when, based on the consumer's credit report, the creditor provides credit to the consumer on less favorable terms than it provides to other consumers. Alternatively, a creditor may provide such a consumer with a free credit score and information about their score.
- 01.01.2011 [Reg. Z](#) – Final rule requiring purchaser or assignee that acquires loan to provide written disclosures within 30 days of sell, transfer or assignment.
- 12.31.2010 [Unlimited Coverage for Noninterest-Bearing Transaction Accounts](#) – This is the expiration date for the TAG program. However, the Dodd Frank Act extends this program for 2 calendar years and it applies to everyone as part of the standard FDIC coverage. For those who opted in, the original program does expire on this date. NOW and IOLTA customers must

receive notice of expiration of TAG program. **(On December 29, 2010, the President signed a law giving IOLTAs full coverage also.)**

- 12.31.2010 The federal banking agencies published [amendments](#) to their rules that implement the privacy provisions of the Gramm-Leach-Bliley Act. The rules require financial institutions to provide initial and annual privacy notices to their customers. The Agencies adopted a model privacy form that financial institutions may rely on as a safe harbor to provide disclosures under the privacy rules.
- 12.10.2010 Final [Interagency Appraisal and Evaluation Guidelines](#) effective.
- 10.01.2010 [Reg. Z](#) – Escrow required on higher priced mortgage loans on [manufactured homes](#).
- 10.01.2010 [Reg. DD](#) – Reg. DD and the official staff commentary amended to address the application of the rule to retail sweep programs and the terminology for overdraft fee disclosures, and to make amendments that conform to the Board’s final Regulation E amendments addressing overdraft services, adopted in November 2009.
- 08.22.2010 ~~[Reg. E](#) – The final rules prohibit dormancy, inactivity, and service fees on [gift cards](#) unless: (1) the consumer has not used the certificate or card for at least one year; (2) no more than one such fee is charged per month; and (3) the consumer is given clear and conspicuous disclosures about the fees. Expiration dates for funds underlying gift cards must be at least five years after the date of issuance, or five years after the date when funds were last loaded.~~ EFFECTIVE DATE DELAYED TO JANUARY 31, 2011.
- 08.22.2010 [Reg. Z](#) – Federal Reserve Board final rule to protect credit card users from unreasonable late payment and other penalty fees and to require credit card issuers to reconsider interest rate increases imposed since the beginning of 2009.
- 08.02.2010 [Daylight Overdraft Posting Rules](#). The Federal Reserve Banks will be offering an opt-in, same-day settlement service for certain ACH debit payments through the FedACH service effective August 2, 2010.
- 07.01.2010 Implementing FACT Act Accuracy & Integrity Rules: Deadline July 1, 2010
- 07.01.2010 [Reg. Z](#) – This is the mandatory compliance date for all provisions of the final rule on [open end credit](#) that were not mandatory on February 22, 2010. Generally, the Fed retained a July 1, 2010 mandatory compliance date for those provisions originally adopted in the January 2009 Regulation Z Rule that are not requirements of the Credit Card Act.
- 07.01.2010 [Reg. Z and Reg. AA \(Unfair or Deceptive Practices\)](#) – A lender may not consider a credit card payment late unless statement is provided 21 days prior to due date. Requirements on how credit cards payments above minimum are allocated. Restriction on when credit card rates may change. Finance charges on previous billing cycles limited. Security deposits and fees limited.
- 07.01.2010 [Reg. E](#) – The final rule limits the ability of a financial institution to assess an [overdraft fee](#) for paying ATM and one-time debit card transactions that overdraw a consumer’s account, unless the consumer affirmatively consents, or opts in, to the institution’s payment of overdrafts for these transactions. (Further amendments to [Reg. E](#) and [Reg. DD](#) have been proposed to clarify the initial Reg. E amendments.)
- 07.01.2010 [FACT Act \(Fair and Accurate Credit Transactions Act\)](#) –Those furnishing consumer information to a consumer reporting agency must [establish reasonable policies and procedures](#) for implementing the guidelines in Appendix E.
- 06.21.2010 Post employee [notices](#) pursuant to Executive Order 13496

06.01.2010 [Reg. GG \(Prohibition on Funding of Unlawful Internet Gambling\)](#).-. Requires non-exempt participants in designated payment systems to establish and implement written policies and procedures that are reasonably designed to identify and block or otherwise prevent or prohibit unlawful Internet gambling transactions. [Reg GG \(Extension of compliance date\)](#)

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