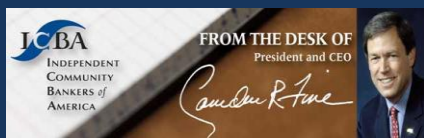




## August 2011 – INTERSTATE CAPITOL COMMENTS

Community Bankers Association of Kansas  
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### FINE POINTS

By Camden R. Fine  
 President and CEO of ICBA


### Final Stretch

The 112<sup>th</sup> Congress is back in session after its August recess, but time is rapidly ticking away. The House and Senate have less than 30 workdays left on their calendars this year. Meanwhile, banking regulators are writing new Wall Street Reform rules, and in some cases they have major redrafting work to do. However, key rulemaking will likely take place by the end of the year on several ICBA legislative and regulatory priorities.

**Communities First Act.** A Senate version of the ICBA priority legislation to provide highly targeted regulatory- and tax-relief for community banks and Main Street businesses will be introduced soon,

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

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*When there is a deadline associated with a news item, at the beginning of the title to the article, you will see this graphic:* 

### Recent News

#### Federal Banking Agencies Issue Guidance on Federal Debt

In response to Standard & Poor’s lowering of the U.S. long-term debt rating from AAA to AA+, the federal banking agencies issued [guidance](#)<sup>i</sup> stating that, for risk based capital purposes, the risk weights for Treasury securities and other securities issued or guaranteed by the U. S. government, government agencies, and government sponsored entities will not change. According to the guidance, the treatment of Treasury securities and other securities issued or guaranteed by the U.S. government, government agencies, and government-sponsored entities under other federal banking agency regulations, including the Federal Reserve Board’s Regulation W, will also be unaffected.

#### CFPB creates Office of Servicemembers Affairs

The CFPB has created an [information page for servicemembers](#)<sup>ii</sup> on its Web site. Holly Petraeus, who is directing the establishment of the CFPB’s Office of Servicemember Affairs, has written a couple of blogs on the newly created office;

- [Military Advocates on Duty](#)<sup>iii</sup>
- [On Our Way](#)<sup>iv</sup>

*Comment: The CFBP has written several [blog articles](#)<sup>v</sup> over the last few weeks on a variety of topics, including the CFPB’s mortgage disclosure project, keeping a good credit score, and the Alternative Mortgage Transaction Parity Act.*

#### CFPB and FTC reach agreement to share consumer complaints

The Dodd-Frank Act requires the CFPB to share consumer complaint information with the FTC and other state and federal agencies. Recently, the CFPB signed an agreement with the FTC that allows the CFPB to access consumer complaints within the FTC’s Consumer Sentinel system. In addition, The CFPB will share complaint information they receive from consumers with the Sentinel database, subject to appropriate privacy protections and access restrictions.

#### CFPB appoints Advisor for Office of Community Banks and Credit Unions

most likely this month. The House version of the bill introduced by Rep. Blaine Luetkemeyer (R-Mo.) continues to gain bipartisan momentum. Some of the bill's 26 provisions could be attached to other bills moving through Congress. This legislation could quickly gain urgency with lawmakers hoping to reignite the economy.

**Mortgage Lending Reforms.** This summer ICBA asked the banking agencies to radically redraft their proposed Wall Street Reform risk-retention and "ability to repay" mortgage lending standards. Along with severely limiting Main Street mortgage lending, those proposals would hobble the overall economy and limit access to affordable mortgages. The agencies will take several months to review the public feedback, but how far they're willing to change course should become clear much sooner.

**Interchange Response.** On Oct. 1 debit card issuers with more than \$10 billion in assets will begin complying with the Federal Reserve's mandating interchange limits. The debit card processing networks should also reveal what dual pricing structures they'll support for large issuers and community banks. The debit card marketplace will be adjusting to artificial interchange pricing and merchant-controlled routing for months and years to come. The final impact will be—for merchants, financial institutions, networks and, most importantly, consumers—will unfold as well.

**Housing Finance Future.** Congressional leaders could float more specific proposals to resolve Fannie Mae and Freddie Mac and define the future structure of America's housing finance system. Right now several widely differing approaches and philosophies have been proposed. Lawmakers won't pass legislation until after the 2012 election, but they could sharply define their positions. ICBA will continue to promote its cooperative housing finance model so the secondary mortgage market doesn't become monopolized by a few too-

Bart Shapiro, Senior Advisor for the Office of Community Banks and Credit Unions Bart served as the Director of the U.S. Department of Housing and Urban Development's Office of RESPA and Interstate Land Sales from May, 2010 through July, 2011. That Office is responsible for administering RESPA and the Interstate Land Sales Full Disclosure Act (ILS). He previously held the position of Deputy Director in that Office for two years, with responsibilities that included: developing, drafting and disseminating statutory and regulatory guidance related to RESPA and ILS; responding to regulatory and policy-related inquiries; investigating consumer and business-generated complaints; and coordinating investigations with HUD's Office of General Counsel and Office of Inspector General, the Department of Justice, and other federal and state regulatory agencies. Prior to joining that Office, Mr. Shapiro worked on a variety of cases and legal issues in HUD's Office of General Counsel from 1991 to 2007, initially as a trial-attorney in the Office of Litigation, and then as an attorney-advisor in the Regulatory Compliance and GSE-RESPA Policy Divisions.

*Comment: Mr. Shapiro's role will be as advisor to Elizabeth Vale who serves as Assistant Director for Community Banks and Credit Unions. Mr. Shapiro, with his extensive RESPA experience while at the FTC, will likely play a role in the CFPB's mortgage disclosure redesign.*

#### **FDIC reports fraudulent e-mails**

The FDIC has received numerous reports of fraudulent e-mails that have the appearance of being from the FDIC. The e-mails appear to be sent from various "@fdic.gov" e-mail addresses, such as "protection@fdic.gov," "admin@administration.fdic.gov," or [service@admin.fdic.gov](mailto:service@admin.fdic.gov). They have various subject lines such as "Update for your banking account," "ACH and Wire transfers disabled," and "Banking security update." You can see the text of the fraudulent messages [here](#).<sup>vi</sup>

*Comment: Click [here](#)<sup>vii</sup> to see alerts on fraudulent e-mails going back to April 10, 2010.*

#### **NMLS: Online search for mortgage companies and professionals**

On its Web site, the NMLS has provided [Consumer Access](#)<sup>viii</sup>, a free service for consumers to confirm that the mortgage company or mortgage professional with whom they wish to conduct business is authorized to conduct mortgage business in their state.

#### **HUD map displays location of FNMA, Freddie Mac, and FHA real estate owned**

HUD launched a new web-based mapping tool displaying the location of all foreclosed properties being held by Fannie Mae, Freddie Mac, and the FHA. These foreclosed homes collectively account for nearly half of all real estate-owned (REO) properties in the U.S. [HUD's REO Portal](#)<sup>ix</sup> is intended to help local communities, homebuyers and responsible investors acquire these properties and accelerate efforts to stabilize local housing markets.

*Comment: If nothing else, I found it interesting to see how many of these homes were in my neighborhood.*

#### **Treasury announces funds to spur new lending to small business**

The U.S. Department of the Treasury announced the approval of applications for State Small Business Credit Initiative (SSBCI) funding from 11 states and Washington, D.C. The SSBCI is a component of the Small Business Jobs Act that President Obama signed into law last fall. Under the Small Business Jobs Act, these 11 states and Washington, D.C. can access a collective total of \$360 million in SSBCI funds. The applications for SSBCI funding that were approved include those submitted by Alabama (\$31.3 million), Florida (\$97.7 million), Idaho (\$13.2 million), Iowa (\$13.2 million), Louisiana (\$13.2 million), Mississippi (\$13.2 million), Ohio (\$55.1 million), Oregon (\$16.5 million), Tennessee (\$29.7 million), Texas (\$46.6 million), Virginia (\$18.0 million), and Washington, D.C. (\$13.2 million).

#### **~~Dodd-Frank Act (DFA) 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*

big-to-fail lenders.

**Fair Value Accounting.** By year's end the Financial Accounting Standards Board aims to finalize its project on financial instruments including changes to fair value accounting. FASB reversed its previously proposed treatment for loans in January, when it agreed with ICBA that loans held for the collection of cash flows should be valued at amortized cost and not fair value. However, we'll need to watch closely to make sure this hard-earned victory is appropriately implemented. And new challenges have emerged in the fight for sensible accounting as FASB seeks to expand fair value disclosures for loans and eliminate amortized cost accounting for most securities held in bank portfolios. On these issues and many more, ICBA, as always, will be focused exclusively on the best interests of all community banks. Help us give you voice by adding yours to ours. Help us keep community banking strong.



## FROM THE TOP

By Sal Marranca  
Chairman of ICBA

## ICBA at the Table

We gathered around a conference table last month inside the seven-story FDIC headquarters in Washington, located about a block from the White House. It was a very productive and professionally personable meeting. Currently the acting FDIC chairman awaiting Senate approval of his nomination as

been adopted by the regulators. We encourage you to comment on proposals.

**Recent DFA final rules adopted:**



### Fed amends Reg. B related to credit scores

Section 701 of the Equal Credit Opportunity Act (ECOA) requires a creditor to notify a credit applicant when it has taken adverse action against the applicant. The ECOA adverse action requirements are implemented in the Board's Regulation B. Section 615(a) of the Fair Credit Reporting Act (FCRA) also requires a person to provide a notice when the person takes an adverse action against a consumer based in whole or in part on information in a consumer report. Certain model notices in Regulation B include the content required by both the ECOA and the FCRA adverse action provisions, so that creditors can use the model notices to comply with the adverse action requirements of both statutes.

The Board amended these model notices in Regulation B to include the disclosure of credit scores and related information if a credit score is used in taking adverse action. The [revised model notices](#)<sup>x</sup> reflect the new content requirements in section 615(a) of the FCRA as amended by section 1100F of the Dodd-Frank Act.

*Comment: The sample forms C-1 through C-5 of Appendix C of Regulation B have been amended to provide for both the ECOA and the FCRA disclosures. If you haven't done so already, you should begin using those new forms immediately. The FCRA requires a creditor to:*

- *disclose when it has based a "credit decision" in whole or in part on information from a source other than the applicant or its own files.*
- *disclose when a credit score is used in taking adverse action and disclose the actual credit score, including up to four key factors (five if the number of inquiries was a factor) that adversely affected the credit score.*

*The ECOA requires a creditor to:*

- *advise a credit applicant whether an application as approved or declined.*
- *disclose the principal reasons for denying or taking adverse action.*
- *provide the "ECOA Notice".*

*The revised model language forms help you ensure compliance with both FCRA and ECOA requirements and provide a "safe harbor" when used correctly.*

*As for providing both the NHLA and the Risk-Based Pricing Notice you want to look at Appendix H to Reg. V.:*

*4. If a person uses an appropriate Appendix H model form, or modifies a form in accordance with the above instructions, that person shall be deemed to be acting in compliance with the provisions of §222.73 or §222.74, as applicable, of this regulation. It is intended that appropriate use of Model Form H-3 also will comply with the disclosure that may be required under section 609(g) of the FCRA.*



### Fed amends risk-based pricing rules to require disclosure of credit scores; Reg. V

On January 15, 2010, the Fed published final rules to implement the risk-based pricing provisions in section 311 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act), which amended the Fair Credit Reporting Act (FCRA). The final rules generally require a creditor to provide a risk-based pricing notice to a consumer when the creditor uses a consumer report to grant or extend credit to the consumer on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that creditor. The Board amended its risk-based pricing rules to require disclosure of credit scores and information relating to credit scores in risk-based pricing notices if a credit score of the consumer is used in setting the material terms of credit. These [final rules](#)<sup>xi</sup> reflect the new requirements in section 615(h) of the FCRA that were added by the Dodd-Frank Act.

*Comment: These rules are effective August 15, 2011.*



### Fed publishes final rule on debit card interchange fees and routing

FDIC chairman, Martin Gruenberg talked openly and candidly on a number of community banking issues with me and former and future ICBA chairmen and ICBA staffers.

With considerable depth and detail, we talked about how costly regulatory burdens are imposing serious challenges on community banks and preventing our institutions from applying all our resources to getting the economy going again. We offered Acting Chairman Gruenberg our firsthand insights on the problems community banks are having with regulatory burden, lending, inconsistent and overzealous examinations, raising capital and sustaining vital fee income. We also discussed the seriousness of troubling Financial Accounting Standards Board accounting rulemaking and the need to further address overconcentration in the financial system.

Of course, Gruenberg is a familiar public official we all respect, and ICBA has had a good working relationship with him for many years. ICBA worked closely with him during the past six years while he served on the FDIC board and previously when he served 12 years as senior counsel for the longstanding Senate Banking Committee chairman Paul Sarbanes of Maryland. He knows not only the FDIC but also community banks, our association, our members and our staff very well.

But ICBA leadership has always had solid working relationships with every FDIC chairman, as we have with many administration officials and lawmakers of both political parties. ICBA builds working relationships and allies not just issue

The Federal Reserve Board published a [final rule](#)<sup>xiii</sup>, Regulation II, Debit Card Interchange Fees and Routing. This rule implements the provisions of Section 920 (which was added by the Dodd Frank Act) of the Electronic Fund Transfer Act, including standards for interchange transaction fees for electronic debit transactions, exemptions from the interchange transaction fee limitations, prohibitions on evasion and circumvention, prohibitions on payment card network exclusivity arrangements and routing restrictions for debit card transactions, and reporting requirements for debit card issuers and payment card networks. An [interim final rule](#)<sup>xiii</sup> on standards for receiving a fraud-prevention adjustment to interchange transaction fees was published separately in the Federal Register.

*Comment: The final rule is effective October 1, 2011. The interim rule is effective October 1, 2011, and comments are due on or before September 30, 2011.*



### **Fed publishes final rule repealing Regulation Q**

The Board published a [final rule](#)<sup>xiv</sup> repealing Regulation Q, Prohibition Against Payment of Interest on Demand Deposits, effective July 21, 2011. Regulation Q was promulgated to implement the statutory prohibition against payment of interest on demand deposits by institutions that are member banks of the Federal Reserve System set forth in Section 19(i) of the Federal Reserve Act (“Act”). Section 627 of the Dodd-Frank Act repeals Section 19(i) of the Federal Reserve Act effective July 21, 2011. The final rule implemented the Dodd-Frank Act’s repeal of Section 19(i). The final rule also repeals the Board’s published interpretation of Regulation Q and removes references to Regulation Q found in the Board’s other regulations, interpretations, and commentary.

*Comment: Effective Date: July 21, 2011*

*Proposed DFA rules with open comment periods:*

### **CFPB interim rule establishing Regulation D (AMTPA)**

The CFPB published for public comment an [interim final rule](#)<sup>xv</sup> establishing Regulation D (Alternative Mortgage Transaction Parity) pursuant to the Alternative Mortgage Transaction Parity Act (AMTPA) and the Truth in Lending Act. The interim final rule is necessary to avoid a regulatory gap created by the amendments to AMTPA in the Dodd-Frank Act. Without an interim final rule that takes immediate effect, state housing creditors would no longer be able to make variable rate mortgage loans and other alternative mortgage transactions pursuant to AMTPA in states that prohibit such transactions, thus denying consumers access to that form of credit. Until July 22, 2012, the interim final rule applies only to state housing creditors seeking to invoke federal preemption of state law under AMTPA. The interim final rule will be in place as a temporary measure pending the CFPB’s completion of a notice-and comment rulemaking to promulgate permanent rules, including rules governing alternative mortgage transactions made by federally chartered housing creditors. The CFPB seeks public comment in anticipation of that process.

*Comment: This interim final rule is effective July 22, 2011. Mandatory compliance date: Compliance with § 1004.4 of this interim final rule is optional until July 22, 2012 for federal housing creditors and for state housing creditors that are not relying on preemption of state law under § 1004.3. On July 22, 2012, compliance with § 1004.4 is mandatory for all creditors, except as provided in § 1004.4(d). The CFPB also issued their first-ever bulletin on this: [CFPB Bulletin 11-1](#)<sup>xvi</sup>. Comments must be received on or before September 22, 2011.*

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### **Publications, reports, studies, testimony & speeches**

- **Treasury/HUD housing market report**

Treasury and HUD have issued a report entitled [The Obama Administration’s Efforts To Stabilize The Housing Market and Help American Homeowners](#)<sup>xvii</sup>.

- **FedFocus**

The Federal Reserve has issued its [FedFocus](#)<sup>xviii</sup> for August.

*Comment: Of particular interest is an article on the Federal Reserve Financial Services’ ACH information tools.*

by issue but person by person as well. Having the direct ear and personal focused attention of public officials in Washington is more than ICBA being engaged in the policymaking process. It's also part of having a seat at the policymaking table where decisions are made.

As the voice of the nation's community banks, that's where ICBA has been and always will be—at the policymaking table with people who are willing to listen and understand our point of view. Truly being heard so as to be truly understood by policy decision-makers is what ICBA and its leadership work for every day in Washington.

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

- **FTC: FCRA Staff Report**

The FTC issued a report entitled: [40 Years of Experience with the Fair Credit Reporting Act](#)<sup>xix</sup>.

*Comment: The FTC doesn't have enforcement authority over banks, but reading about their experiences may be useful to banks nonetheless.*

- **GOA: Dodd-Frank's potential impact on mortgage lending**

The Government Accountability Office issued a [report](#)<sup>xx</sup> on the Dodd-Frank Act's potential impact on homebuyers and the mortgage market. The full report, highlights and a summary are available.

*Comments: The report discusses the potential impact of the act's (1) qualified mortgage criteria, (2) credit risk retention requirement, and (3) provisions concerning homeownership counseling and regulation of high-cost loans. GAO provided a draft of this report to eight agencies. In a letter, the NCUA said that the Dodd-Frank Act's impact would depend on regulatory decisions that had yet to be made. So true!*

- **Fed on designing consumer disclosures**

The Federal Reserve Board studied ways to improve the information and materials—including required disclosures—that consumers draw on when they purchase and use financial products and services and issued a report entitled: [Designing Disclosures to Inform Consumer Financial Decisionmaking: Lessons Learned from Consumer Testing](#)<sup>xxi</sup>

- **FedFlash**

The latest issue of [FedFlash](#)<sup>xxii</sup> is available on the Federal Reserve Financial Services Web site. FedFlash provides Federal Reserve Bank Services operational news.

*Comment: This edition includes articles on the Fed's support for Windows 7, changes to Operating Circular 1, changes in large dollar Canadian item service, and the release of the Rutherford B. Hayes \$1 coin.*



Rutherford B. Hayes \$1 Coin

### **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](mailto: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](mailto: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](mailto: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](mailto: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.

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**Selected upcoming federal compliance dates:**

- 08.15.2011 The Board [amended model notices](#)<sup>xxiii</sup> in Regulation B to include the disclosure of credit scores and related information if a credit score is used in taking adverse action.
- 08.15.2011 The [final rules](#)<sup>xxiv</sup> amending Regulation V generally require a creditor to provide a risk-based pricing notice to a consumer when the creditor uses a consumer report to grant or extend credit to the consumer on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that creditor
- 10.01.2011 [Final rule](#)<sup>xxv</sup> establishing standards (Regulation II) for debit card interchange fees and prohibiting network exclusivity arrangements and routing restrictions.
- 10.01.2011 [Interim final rule](#)<sup>xxvi</sup> that allows for an upward adjustment of no more than 1 cent to an issuer's debit card interchange fee if the issuer develops and implements policies and procedures reasonably designed to achieve the fraud-prevention standards..
- 10.01.2011 Clarification of [Reg Z](#)<sup>xxvii</sup> Credit Card Act and official staff commentary. Creditors may voluntarily comply sooner.
- 03.15.2012 ATMs must comply with the communication requirements of the [ADA and ABA Accessibility Guidelines for Buildings and Facilities](#)<sup>xxviii</sup>.

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

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**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](#).*

- 07.21.2011 The FDIC [final rule](#)<sup>xxix</sup> repeals Reg. Q, the prohibition against the payment of interest on demand deposit accounts.
- 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](#)<sup>xxx</sup> and [Reg. M](#)<sup>xxxii</sup> (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](#)<sup>xxxii</sup> to implement this.
- 07.01.2011 [FDIC Overdraft Payment Supervisory Guidance](#)<sup>xxxiii</sup> The FDIC expects that any additional efforts to mitigate risk would be in place by July 1, 2011.
- 05.01.2011 [Interim final rule](#)<sup>xxxiv</sup> 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.
04.01.2011	<a href="#">Final rule<sup>xxxv</sup></a> 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	<a href="#">Reg. Z<sup>xxxvi</sup></a> – 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 <a href="#">final rule<sup>xxxvii</sup></a> 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 <a href="#">final rule<sup>xxxviii</sup></a> 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 <a href="#">final rule<sup>xxxix</sup></a> to amend BSA regulations regarding reports of foreign financial accounts.
03.15.2011	<a href="#">Nondiscrimination on the Basis of Disability Final Rules<sup>xl</sup></a> – Effective dates of new <a href="#">ADA requirements for ATMs<sup>xli</sup></a> .
01.31.2011	<a href="#">Reg. E<sup>xlii</sup></a> – This is the delayed effective date pursuant to <a href="#">H.R. 5502<sup>xliii</sup></a> . The final rules prohibit dormancy, inactivity, and service fees on <a href="#">gift cards</a> 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	<a href="#">Reg Z<sup>xliv</sup></a> –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	<a href="#">Official FDIC sign<sup>xlv</sup></a> – New FDIC signs must be posted showing the \$250,000 minimum insurance amount.
01.01.2011	<a href="#">FACT Act<sup>xlvi</sup></a> – 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	<a href="#">Reg. Z<sup>xlvii</sup></a> – Final rule requiring purchaser or assignee that acquires loan to provide written disclosures within 30 days of sell, transfer or assignment.
12.31.2010	<a href="#">Unlimited Coverage for Noninterest-Bearing Transaction Accounts<sup>xlviii</sup></a> – 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. <b>(On December 29, 2010, the President signed a law giving IOLTAs full coverage also.)</b>
12.31.2010	The federal banking agencies published <a href="#">amendments<sup>xlix</sup></a> 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 <a href="#">Interagency Appraisal and Evaluation Guidelines</a> <sup>i</sup> effective.
10.01.2010	<a href="#">Reg. Z</a> <sup>ii</sup> – Escrow required on higher priced mortgage loans on <a href="#">manufactured homes</a> .
10.01.2010	<a href="#">Reg. DD</a> <sup>iii</sup> – 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	<a href="#">Reg. E</a> <sup>iiii</sup> – <del>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.</del>
08.22.2010	<a href="#">Reg. Z</a> <sup>liv</sup> – 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.

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<sup>i</sup> <http://www.federalreserve.gov/newsevents/press/bcreg/20110805a.htm>

<sup>ii</sup> <http://www.consumerfinance.gov/servicemembers/>

<sup>iii</sup> <http://www.consumerfinance.gov/military-advocates-on-duty/>

<sup>iv</sup> <http://www.consumerfinance.gov/on-our-way/>

<sup>v</sup> <http://www.consumerfinance.gov/blog/>

<sup>vi</sup> <http://www.fdic.gov/news/news/SpecialAlert/2011/sa11021.html>

<sup>vii</sup> <http://www.fdic.gov/consumers/consumer/alerts/>

<sup>viii</sup> <http://www.nmlsconsumeraccess.org/>

<sup>ix</sup> <http://www.huduser.org/REO/reo.html>

<sup>x</sup> <http://www.gpo.gov/fdsys/pkg/FR-2011-07-15/pdf/2011-17585.pdf>

<sup>xi</sup> <http://www.gpo.gov/fdsys/pkg/FR-2011-07-15/pdf/2011-17649.pdf>

<sup>xii</sup> <http://www.gpo.gov/fdsys/pkg/FR-2011-07-20/pdf/2011-16861.pdf>

<sup>xiii</sup> <http://www.gpo.gov/fdsys/pkg/FR-2011-07-20/pdf/2011-16860.pdf>

<sup>xiv</sup> <http://www.gpo.gov/fdsys/pkg/FR-2011-07-18/pdf/2011-17886.pdf>

<sup>xv</sup> <http://www.gpo.gov/fdsys/pkg/FR-2011-07-22/pdf/2011-18676.pdf>

<sup>xvi</sup> <http://www.consumerfinance.gov/wp-content/uploads/2011/06/Amendments-to-the-Alternative-Mortgage-Transaction-Parity-Act.pdf>

<sup>xvii</sup> <http://portal.hud.gov/hudportal/documents/huddoc?id=JulyScorecardFINAL.pdf>

<sup>xviii</sup> <http://www.frb services.org/fedfocus/index.html>

<sup>xix</sup> <http://www.ftc.gov/os/2011/07/110720fcrareport.pdf>

<sup>xx</sup> <http://www.gao.gov/products/GAO-11-656>

<sup>xxi</sup> <http://www.federalreserve.gov/pubs/bulletin/2011/pdf/designingdisclosures2011.pdf>

<sup>xxii</sup> <http://www.frb services.org/fedflash/index.html>

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