



Capitol Comments October 2011

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When there is a deadline associated with a news item, you will see this graphic:



Recent News

FDIC: Projected DIF losses, income, and reserve ratio for restoration plan

The FDIC updated its loss, income, and reserve ratio projections for the Deposit Insurance Fund (DIF) over the next several years. The projected cost of FDIC-insured institution failures for the five-year period from 2011 through 2015 is \$19 billion, compared to estimated losses of \$23 billion for banks that failed in 2010 alone. While these loss projections are subject to considerable uncertainty, under these projections and current assessment rates, the fund should reach 1.15 percent of estimated insured deposits in 2018.

The Dodd-Frank Act requires that the fund reserve ratio reach 1.35 percent by September 30, 2020. A future rulemaking will implement the requirement in Dodd-Frank that the FDIC offset the effect of increasing the reserve ratio from 1.15 percent to 1.35 percent on institutions with assets of less than \$10 billion.

After seven consecutive quarters of negative balances, the DIF became positive in the second quarter of 2011, standing at \$3.9 billion at June 30. The DIF balance has increased for six quarters in a row, following seven quarters of decline. Cumulatively, the DIF balance has risen by almost \$25 billion from its negative \$20.9 billion low point at the end of 2009.

Agencies release guidance and proposed revisions to interagency flood insurance Q&A

The federal agencies that supervise banks, thrifts, and credit unions, and the Farm Credit System, published guidance that updates the Interagency Questions and Answers Regarding Flood Insurance that were most recently published on July 21, 2009 at 74 FR 35914-35947.

The guidance finalizes two questions and answers that had been previously proposed. The first relates to insurable value. The second relates to force placement of flood insurance. The agencies withdrew another question regarding insurable value.

The agencies also requested comment on [three additional proposed updates to questions and answers relating to force placement of flood insurance](#). Two answers were significantly and substantively changed. The third change, regarding force placement of flood insurance, revises a previously finalized Question and Answer for consistency with the proposed changes.

The final update will continue to supplement other guidance or interpretations issued by the agencies and FEMA.

Comment: The guidance released will be final upon publication in the Federal Register. Comments on the proposed changes to the Q&A are due 45 days after publication in the Federal Register, which is expected shortly. It is the intention of the agencies that, after public comment has been received and considered and the guidance has been adopted in final form, the agencies will issue a final update to the 2009 Interagency Questions and Answers Regarding Flood Insurance. The final update will continue to supplement other guidance or interpretations issued by the agencies and FEMA.



OCC: Appropriate names and addresses required by CRA and ECOA and on FHA posters

The OCC issued a bulletin ([OCC 2011-41](#)) advising supervised institutions of the appropriate names and addresses required by CRA, ECOA and posters required by the FHA. On July 21, 2011, the transfer of former OTS functions to the OCC, including the supervision of all federal savings associations, was completed. In addition, enforcement authority for compliance with ECOA for OCC-supervised institutions with assets greater than \$10 billion was transferred to the CFPB. Altogether, these activities necessitate changes to CRA public notices, FHA posters, and ECOA notices.

Comment: OCC-supervised institutions should make the appropriate changes to their notices and posters, if necessary, within 90 days of the OCC's notification, which was on October 11, 2011. By my count, that's January 9th, but why worry about that ... just take care of it now.

CFPB News

Here's the latest from the CFPB:

- [A Guide to CFPB's Supervision](#)

On October 13th, the CFPB released the [CFPB Supervision and Examination Manual](#), the guide for our examiners to use in overseeing companies that provide consumer financial products and services. The manual is divided into three parts:

1. Supervision and examination process
2. Examination procedures
3. Templates for documenting information about supervised entities and the examination process, including examination reports

- [Town hall meeting in Minnesota](#)

The next stop on the CFPB's listening tour is on October 26 at the Minneapolis Community and Technical College with Raj Date, Special Advisor to the Secretary of the Treasury for the CFPB.

- [We're listening](#)

In this blog, the CFPB announces that at listening sessions in Columbus, Ohio and Great Falls, Montana, the key concerns were:

1. Debt settlement issues;
2. Foreclosure, credit scores, credit reports, and their effect on employment;
3. Disputing a credit report error; and
4. Payday lending.

- [Help for struggling military homeowners](#)

This blog addresses how a permanent change of station can be costly and stressful on servicemembers trying to maintain two households, but the Servicemember's Civil Relief Act can't address mortgages that servicemembers enter into after they join the service. In some instances, the Treasury's updated [guidance](#) to its Home Affordable Foreclosure Alternatives Program may help.

- [Seeing servicemembers as “dollar signs in uniform”](#)

[New York Times op-ed](#) by Holly Patraeus, CFPB Assistant Director for Servicemember Affairs, discusses for-profit colleges seeing service members as nothing more than dollar signs in uniform.

- [Lessons we've learned](#)

The three lessons the CFPB says that it has learned are:

No. 1: More paperwork doesn't mean better disclosure.

No. 2: Common-sense rules can prevent bad practices.

No. 3: Rules should apply to everyone and be consistently monitored and enforced.

Call Report for third quarter 2011

The Call Report forms for September 2011 are available on the [FFIEC's Web site](#) and the [FDIC's Web site](#). An instruction book update for September 2011, which includes revised instructions pertaining to demand deposits and certain other matters, is expected to be available on both Web sites.

[Call Report Instruction Book \(Updated September 2011\)](#)

[Call Report Instruction Book Update](#)

This quarter's attached [Supplemental Instructions](#) provide information on various reporting topics. Report forms and instructional materials can be printed and downloaded from the FFIEC's and the FDIC's Web sites.

Electronic submission of Call Report data will be considered timely if the data are received by the CDR no later than Sunday, October 30, 2011, and pass FFIEC-published validation criteria (validity edits and quality edits) or, where necessary, contain explanations for any quality edits that are not passed. Explanatory comments should be prepared in accordance with the "[Guidelines for Resolving Edits](#)" published on the FFIEC's Web site at.

Comment: Please notify the person responsible for preparing the Call Report at your institution about the electronic availability of the report forms, instruction book update, and Supplemental Instructions for September 2011.

OCC: Mortgage Metrics Report

The performance of first-lien mortgages serviced by large national banks and federal savings associations declined slightly during the second quarter of 2011, according to the [OCC Mortgage Metrics Report](#). The report showed that

- 88% of the 32.7 million loans were current and performing, down from 88.6 percent at the end of the first quarter, but up from 87.3 percent a year earlier.
- Decline in portfolio quality is mainly attributable to an increase in early stage delinquencies—mortgages 30-to-59 days delinquent.
- Early stage delinquencies and serious delinquencies both increased from the previous quarter, but they decreased from a year earlier.
- The percentage of mortgages in the process of foreclosure remained steady at 4 percent of the mortgages serviced by the reporting banks and savings associations.
- Completed foreclosures decreased by more than 30 percent from a year earlier.
- 456,397 home retention actions were implemented in the 2nd quarter compared with 287,145 new foreclosure proceedings.
- Modifications under the HAMP increased by 31.6 percent during the quarter, other home retention actions declined, causing an overall decrease of 18.1 percent in new modification actions from the previous quarter.
- Mortgage modifications during the 2nd quarter of 2011 reduced borrowers' monthly principal and interest payments in 89.4 percent of all modifications, with 53.8 percent of the modifications reducing payments by 20 percent or more.

- On average, modifications during the quarter reduced borrowers' monthly payments by \$393, or 25.1 percent. HAMP modifications reduced payments by an average of \$577, or 35.9 percent.
- Modifications that reduced payments by 10 percent or more performed better than those that reduced payments by less. At the end of the second quarter of 2011, 59.9 percent of modifications made since the beginning of 2008 that reduced payments by 10 percent or more were current and performing, compared with 37.0 percent of modifications made during that time that reduced payments by less.
- Servicers have modified 2,083,464 mortgage loans from the beginning of 2008 through the end of the first quarter of 2011. At the end of the second quarter of 2011, 51.3 percent of the 2 million modifications between 2008 and the end of the 1st quarter remained current or had been paid off. Another 9.2 percent were 30-to-59 days delinquent, and 18.2 percent were seriously delinquent. More than 10 percent were in the process of foreclosure and 5.3 percent had completed the foreclosure process.

FinCEN: BSA e-filing technical specifications Webinar materials available

FinCEN's [materials](#) for its September 29, 2011, Webinar, entitled BSA E-Filing Technical Specifications, are posted on their Web site.

Comment: This Webinar tackled the technical aspects. FinCEN will offer a separate Webinar at a later date for financial institution employees and compliance professionals with BSA-related responsibilities; this future Webinar will discuss the BSA E-Filing process for the new CTR and SAR.

SBLF = 332 community banks lending \$4 billion to small business

In late September, Treasury announced that an additional 141 community banks across the country received more than \$1.6 billion as part of the seventh and final wave of funding provided through the Small Business Lending Fund (SBLF). This brings the total funding for the program to more than \$4 billion going to 332 banks across the country. The SBLF was established as part of the Small Business Jobs Act that President Obama signed into law.

FinCEN: Final rule on CISADA reporting requirements

FinCEN, to comply with the congressional mandate to prescribe regulations under section 104(e) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 ("CISADA") and consistent with its statutory mission under 31 U.S.C. 310, is issuing this final rule. The rule requires a U.S. bank that maintains a correspondent account for a foreign bank to inquire of the foreign bank, and report to FinCEN certain information with respect to transactions or other financial services provided by that foreign bank. Under the rule, U.S. banks will only be required to report this information to FinCEN upon receiving a specific written request from FinCEN.

Comment: This final rule follows publication of a May 2, 2011 proposed rule and adopts the provisions of the proposed rule with minor modifications described in the preamble. Effective Date: October 11, 2011.

Yet another fraudulent e-mail claiming to be from the FDIC

The FDIC has received numerous reports of a fraudulent e-mail that has the appearance of being sent from the FDIC. The e-mail appears to be sent from a "regulations@fdic.gov" e-mail address and has a subject line that reads: "2011 updated FDIC regulations." The e-mail starts out by saying "New Regulation approved for the FDI act expected to be implemented until december 2011." (note: Typographical errors are included). The e-mail attempts to trick recipients into clicking on a link directing recipients to a fraudulent Web site.

This e-mail and link are fraudulent. Recipients should not click on the link provided.

Comment: Please remind your customers that the FDIC does not issue unsolicited e-mails to consumers or business account holders.

Fed: Proposed amendments to Regs D and J

The Fed requested comment on proposed rules that are intended to simplify the administration of reserve requirements and reduce administrative and operational costs for both depository institutions and Reserve Banks..

The [proposed simplifications to Regulation D](#) (Reserve Requirements of Depository Institutions) are:

- creating a common two-week maintenance period for all depository institutions
- creating a penalty-free band around reserve balance requirements in place of using carryover and routine penalty waivers
- discontinuing as-of adjustments related to deposit revisions and replacing all other as-of adjustments with direct compensation
- and eliminating the contractual clearing balance program

In connection with the proposed elimination of the contractual clearing balance program, the Board is requesting comment on several issues related to the methodology used for the Private Sector Adjustment Factor that is part of the pricing of Federal Reserve Bank services.

[Proposed amendments to Regulation J](#) (Collection of Checks and Other Items by Federal Reserve Banks and Funds Transfers through Fedwire) would eliminate references in Regulation J to "as-of adjustments," consistent with the proposed amendments to Regulation D, and make clarifications about the handling of checks and funds transfers sent to the Federal Reserve Banks.

Comment: Comments on the proposal must be submitted within 60 days from the date of publication in the Federal Register, which is expected shortly.

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

Recent DFA final rules adopted:

The CFPB, Congress, Richard Cordray, and Dodd Frank rules

For the second straight month, there are no relevant final rules on the Dodd Frank Act to report. Earlier this month, the Senate Banking Committee, voting along party lines, approved Richard Cordray as the director of CFPB. GOP Senators have vowed to block his nomination in the Senate unless a change is made to create a board to lead the agency rather than a single director. The House has already passed a bill that would create a five-member oversight panel for the CFPB. So, Mr. Cordray is a long way from confirmation as the director of the CFPB. And, as long as the CFPB is without a director, the CFPB's rulemaking power in implementing the Dodd Frank Act is on hold.

Proposed DFA rules with open comment periods:

The "Volcker Rule" proposed rule

The OCC, Board, FDIC, and SEC are requesting comment on a proposed rule that would implement Section 619 of the Dodd-Frank Act which contains certain prohibitions and restrictions on the ability of a banking entity and nonbank financial company supervised by the Board to engage in proprietary trading and have certain interests in, or relationships with, a hedge fund or private equity fund.

Comment: The Volcker Rule is the federal government's effort to rein in the systemically dangerous large firms. The 298 page proposal (with a 215 page preamble and 381 footnotes) posed nearly 400 questions with multiple follow-up questions. These questions indicate a divide between the regulators. One of the biggest areas of divisions is how the regulators will enforce the rule. The final rules, which will ban federally insured banks from engaging in proprietary trading and limit banks' stakes in

Publications, reports, studies, testimony & speeches

- **Federal Reserve Bulletin**

The content of the [Federal Reserve Bulletin](#) is published online on a continuing basis, as it becomes available. An [article](#) published on September 22, presents a number of key findings from a review of the data that mortgage lending institutions reported for 2010 under the HMDA. The article documents home-purchase lending activity reflected in the HMDA data and discusses how the ending of the government's first-time homebuyer tax credit program during the year may have affected such lending. It also documents refinance lending activity and explores factors that may have muted such lending during 2010. In addition, the article closely examines patterns of lending across different racial or ethnic and income groups and across areas that differ in terms of housing market distress. Finally, it describes the federal government's role in the mortgage market over the past several years and investigates how upcoming changes in loan limits might affect this role and the mortgage market going forward.

Comment: Included in the article is a section on future changes in HMDA. Two changes were identified. First, the Dodd-Frank Act (DFA) shifts responsibility for writing rules implementing HMDA to the new CFPB. CFPB has authority to prescribe rules regarding (1) the nature and scope of the data to be collected and reported; (2) the method of submitting data; (3) the format and content of disclosures; and (4) required modifications to the HMDA data prior to public disclosure by the FFIEC and the reporting entities to help protect the privacy of individuals. Second, DFA amended HMDA, requiring covered institutions to report a number of new data items. The new data items include information about loan terms, the property and loan originator involved in the transaction, the borrower, and the unique loan identification number. Pages 44-45 include the new data items that must be reported and those that DFA left to the CFPB.

- **FedFocus**

The Federal Reserve has issued its [FedFocus](#) for October featuring a countdown to Fedwire Funds Service message format changes, leveraging FedLine Web Plus, customer input driving customer disruption communication enhancements, and Crime Prevention Month,

- **FFIEC: 2010 data on mortgage lending**

FFIEC released [data](#) on mortgage lending transactions at 7,923 U.S. financial institutions covered by the HMDA.

Comment: With respect to loan pricing, the 2010 data on the incidence of higher-priced lending show a small minority of loans (3.2 percent) have APRs that exceeded the loan price reporting thresholds. For home purchase lending, the FHA's share of first-lien loans increased from 7 percent in 2007 to 37 percent in 2009 and 36 percent in 2010. The VA market share of first-lien home purchase loans increased from 2.7 percent in 2007 to 6.7 percent in 2009 and 7.0 percent in 2010. Regarding the disposition of applications for conventional home-purchase loans in 2010, blacks and Hispanic whites had notably higher gross denial rates than non-Hispanic whites. When federal banking agency examiners evaluate an institution's fair lending risk, they analyze HMDA data in conjunction with other information and risk factors, in accordance with the [Interagency Fair Lending Examination Procedures](#).

- **OCC: Consumer tips on gift cards**

The OCC published Consumer Advisory [CA 2011-3](#), which contains tips for consumers purchasing gift cards.

Comment: Provide these tips to your customers and read them in relation to your bank's gift card practices.

- **FinCEN: 2nd quarter mortgage loan fraud suspicious activity**

FinCEN reported in its [Second Quarter 2011 Analysis](#) of mortgage loan fraud suspicious activity reports (MLF SARs) that financial institutions filed 29,558 MLF SARs in the second quarter of 2011 up from 15,727 MLF SARs reported in the same quarter of 2010.

- **FedFlash**

Click [here](#) to see the latest FedFlash. FedFlash provides the latest Federal Reserve operational news. In this issue: the upcoming release of the James Garfield \$1 coin on November 17th, changes to Operating Circular 1, holiday currency information, and more.



Comment: Maybe President Garfield will fare better as a coin than he did as a president. Garfield succumbed to a gunshot wound just 200 days into his presidency making his the second shortest presidency ever. Only William Henry Harrison served a shorter term—32 days.

Selected upcoming federal compliance dates:

11.14.2011 National Labor Relations Board's [final rule](#) requiring employers to post workplaces notices regarding employee rights regarding unions and collective bargaining. Notices will be available at NLRB regional offices or on the NLRB [website](#) by October 1. Private sector employers subject to National Labor Relations Act must post the notice.

12.31.2011 Treasury ends over-the-counter sales of paper savings bonds, including sales through financial institutions and applications directly to the Fed.

03.15.2012 ATMs must comply with the communication requirements of the [ADA and ABA Accessibility Guidelines for Buildings and Facilities](#).

06.30.2012 SAR/CTR batch filers must update their systems to the [new specifications](#). All institutions that batch file the current CTR, CTR-C, SAR-DI, SAR-SF, SAR-MSB, or SAR-C will have to convert their systems to file the new CTR and SAR. FinCEN will make other filing technical specifications available in the near future.

12.31.2012 Housing and Economic Recovery Act by The Helping Heroes Keep Their Homes Act of 2010 – The provision for an extended time period (extended from 90 days to nine months) for protections affecting foreclosure, sale, or seizure of servicemembers' real or personal property expires.

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

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.

Selected federal compliance dates from the past 12 months:

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](#).

- 10.01.2011 [Final rule](#) establishing standards (Regulation II) for debit card interchange fees and prohibiting network exclusivity arrangements and routing restrictions.
- 10.01.2011 [Interim final rule](#) 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](#) Credit Card Act and official staff commentary.
- 08.15.2011 The Board [amended 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.
- 08.15.2011 The [final rules](#) 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
- 07.21.2011 The FDIC [final rule](#) 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](#) 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.
- 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.
- 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.
- 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.

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