

With one unified voice to legislators, regulators and society, credit unions continued building “political capital” and winning victories for their members by partnering with the California and Nevada Credit Union Leagues during 2018. Your League dues dollars pay for a unique collaborative system that fuels the lifeblood of member-credit unions — supporting your staff, volunteers, operations, awareness, guidance, strategy and philosophy. We look forward to serving you in 2019!

MAJOR ‘WINS’ IN CONGRESS

S.2155 was signed into law in May and includes regulatory relief for qualified mortgages (impacting 164,900 first-mortgages at 265 credit unions in CA and NV); HMDA compliance (reducing 4,940 compliance hours at 218 CA and NV credit unions and \$2,444 per month/per credit union); and 1-4 unit non-owner occupied residential loans (freeing \$168 million for residential lending in CA and NV).

The leagues won a vote in Congress to stop a “de facto” tax on credit unions and the NCUSIF, saving an additional 4 – 6 percent premium on assessments.

We also won a vote to keep credit unions as the only rent-free lending financial institution on military bases. We united the majority of Congress against the DOJ on guidance for website accessibility. Additionally, the Leagues and CUNA preserved the industry’s tax status in H.R. 1, the Tax Cuts and Jobs Act.

VICTORIES IN THE STATE LEGISLATURE

Senate Bill 1121 clarifies the Gramm-Leach-Bliley Act (GLBA) exemption included in the new California Consumer Privacy Act (CCPA), helping protect credit unions from large compliance costs related to updating IT systems for new consumer notices and opt-out requirements. New, duplicative and problematic requirements would have resulted in higher administrative costs, leading to higher loan rates, reduced services and products, consumer inconvenience, and longer member wait times. **The significant savings to a credit union ranges depending on the cost of a full-system overhaul, legal and compliance time, and member notification.**

Also, a code clean-up and charter update in Assembly Bill 2862 now gives state-chartered credit unions parity with federally chartered credit unions (escrow law exemption, investments in charitable donation accounts, purchase and sale of whole loans, authorization of investments for employee benefits plan obligations without prior approval, and no more requirement for savings capital structure policies). Additionally, Senate Bill 1055 ensures credit unions are not held to California lottery or raffle rules when offering Prize Linked Savings Accounts (PLSA).

The California League has also been instrumental in fighting for the following legislative “wins” that amount to significant yearly monetary savings: an exemption from employer background checks; the right to refuse to honor power-of-attorney in select circumstances and help prevent financial abuse; the power to seek reimbursement from the California Board of Equalization for sales tax paid upfront on unpaid loan balances; protection from being forced to file a lawsuit to shield from the statute of limitations in consumer debt collection; protection from being forced to increase the exemption amount a debtor can shield from creditors through bankruptcy; and shielded from civil penalties related to financial abuse in the money-transmission system.

We continue working with California legislators to acknowledge and craft state laws that have a better impact on locally member-owned credit unions.

Nevada will return to its legislative session in 2019.

YOUR ROLE IN ADVOCACY

Credit unions are also securing their future by engaging in Project Zip Code, Connect For The Cause, state Government Relations Rallies (GRR), the national Governmental Affairs Conference (GAC), Hike The Hill, Political Action Committee (PAC), and visits with state and federal legislators.

SUCCESS IN REGULATORY REFORM

Secured vital reform on these fronts: The NCUA—a Leagues-supported share insurance fund equity distribution, delay of the Risk-Based Capital rule and narrowed scope, and a less-burdensome final rule for voluntary mergers of federally insured credit unions. The BCFP—overdraft rulemaking efforts moved to an inactive calendar, and reconsideration of HMDA reporting requirements.

The Leagues advocated in these areas: The NCUA—supporting the agency’s exam flexibility and Enterprise Solution Modernization initiatives; minimizing the impact from the FASB Current Expected Credit Loss (CECL) accounting standard; updating the appraisal rule for commercial real estate and qualified business loans; clarifying S. 2155 online account opening requirements; returning the NCUSIF’s normal operating level to 1.3 percent; and requesting clarity regarding the European Union’s General Data Protection Regulation. The BCFP—tailored regulations and greater use of exemption authority; collaboration and relationship with the NCUA; expediting S. 2155 regulatory relief; strong PACE loan regulations; and improving the international remittances and mortgage origination rules.

Credit unions continue engaging in regulatory advocacy, using the Leagues’ PowerComment.org tool—a powerful way to amplify the credit union voice on regulations.

EDUCATION, TRAINING, AND COMPLIANCE AT YOUR FINGERTIPS

Access to webinars, seminars, professional events and resources increases credit union staff’s knowledge, skills, and development. Power Learner Passport (PLP) provides unlimited access to 100 webinar programs. League “chapters” foster networking, education, and management. Western CUNA Management School is exceptional for training in leadership and philosophy. InfoSight, CU PolicyPro, and the Compliance Hotline provide superior compliance resources to help effectively manage your credit union.

INFORMATION WITH A PURPOSE

Special industry news and communications include CU Weekly, Education & Training Newsletter, CCUL.org, the Advocacy Blog, Your Economy—Your Credit Union, D.J.’s Economix, Members in the News, and Your League in Action. Communiqués from Leagues President and CEO Diana Dykstra are the only outlet for special calls-to-action, alerts and notices regarding industry-wide matters. The CU Quarterly Performance Report, Regional Snapshot Trends, and other strategic channels offer insight into how your credit union is performing.

BRINGING IT ALL TOGETHER

“Business Partners,” events, and networking empower leaders. Member credit unions receive special pricing and vetting on system partners that offer insurance and lending, member growth and retention, revenue and rewards, and operational efficiency solutions. The annual REACH Convention brings together leaders to continue pursuing only the best for their members. Regional CEO Roundtables provide a key outlet for briefings and industry strategy. And your Single Point of Contact (SPOC) is your personal representative for anything you need from the Leagues.