

ICBA News Watch this week / US Weekly Bell

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Blog

Fine: Continue Push for Regulatory Relief at Policy Summit

Last week's committee markup of five ICBA-advocated bills to provide regulatory relief to community banks is the first in a series of congressional volleys against overregulation, ICBA President and CEO Cam Fine wrote in his latest blog post. But community bankers must remain vigilant in pursuit of relief, and there's no better way than to come to next month's ICBA Washington Policy Summit, Fine wrote. [Read Fine's Blog Post. Register for Policy Summit.](#)

Basel III

AOCI Regulatory Capital Opt-Out Due with March 31 Call Report

Community banks will need to make a one-time, irrevocable election to opt out of the inclusion of accumulated other comprehensive income (AOCI) in common equity tier 1 capital when they file their first 2015 call report in April. Otherwise, community banks will need to irrevocably elect to opt into the inclusion of AOCI in regulatory capital with the April filing.

This ICBA-advocated provision was included in the Basel III final rules that took effect on Jan. 1. The banking agencies yesterday [released materials](#) for the call report due April 30.

The FDIC recently released a [Financial Institution Letter](#) on the AOCI opt-out election, which must be made on Schedule RC-R of the call report. More information on the Basel III rules, including an ICBA summary and audio conference recording, is available on [ICBA's Basel III resource center](#).

Regulatory Burden

Crapo Bill Would Include CFPB, Dodd-Frank in EGRPRA Reviews

The federal banking agencies' decennial regulatory review to identify outdated or unnecessary regulations would incorporate Consumer Financial Protection Bureau rules and the Dodd-Frank Act under ICBA-backed legislation introduced by [Sen. Mike Crapo \(R-Idaho\)](#). S. 881 would expand the regulators' Economic Growth and Regulatory Paperwork Reduction Act (EGRPRA) regulatory reviews to include CFPB and Dodd-Frank rulemakings. Crapo said the current regulatory framework has discouraged the creation of new community banks.

Regulators

CFPB Considering New Restrictions on Payday Lenders

The Consumer Financial Protection Bureau said it is considering proposing rules that would require payday lenders to take steps to make sure consumers can repay their loans. The proposals under consideration also would restrict lenders from attempting to collect payment from consumers' bank accounts in ways that would elicit excessive fees.

The CFPB said it is considering rules for payday loans, vehicle title loans, deposit advance products, and certain high-cost installment loans and open-end loans. The bureau published an outline of its proposals under consideration and said it would convene a Small Business Review Panel to gather feedback from small lenders. **Read More from CFPB.**

Congress

House Bills Would Expand Options for Thrifts, Mutuals

Legislation to expand flexibility for federal savings associations and mutuals was introduced in the House by Rep. Keith Rothfus (R-Pa.). ICBA supports more flexibility for mutuals and other thrifts.

The Federal Savings Association Charter Flexibility Act ([H.R. 1660](#)) would implement the Office of the Comptroller of the Currency's plan to allow federal savings associations to offer a broader range of services without having to change charters.

Separately, the Mutual Bank Capital Opportunity Act ([H.R. 1661](#)) would create a Mutual Capital Certificate that mutuals could issue to raise additional capital without sacrificing their structure.

Products and Services

Free White Paper: How to Create a Strong Compliance Culture

ICBA [Preferred Service Provider](#) Continuity offers a free white paper: [How to Create a Strong Compliance Culture for Your Financial Institution](#). Examiners and regulators expect community banks to demonstrate that they have created a strong culture of compliance. To be effective, culture changes must start at the top of an organization. This white paper outlines the five principles of a compliance culture and defines the critical role the CEO and board must play in establishing a culture of compliance. [Download Now.](#)

Plan for Prosperity

ICBA to Senate Panel: Regulatory Overkill Threatens Small Businesses

ICBA Treasurer Preston Kennedy told the Senate Small Business Committee that excessive regulations are restricting community bank loans to small businesses. At a field hearing in Baton Rouge, La., Kennedy repeated ICBA's call for lawmakers to support continued small-business lending by advancing legislation with provisions of ICBA's [Plan for Prosperity](#).

Kennedy called on Congress to advance several bills inspired by the Plan for Prosperity, including legislation to provide relief from new mortgage regulations and to support greater accountability in bank exams. [Read ICBA Testimony.](#) [Read ICBA Release.](#)

Security

FFIEC Issues Statements on Combating Cyber-Attacks

The Federal Financial Institutions Examination Council released two statements about ways that financial institutions can prepare for, identify and mitigate cyber-attacks that compromise user credentials or use destructive software.

The council of regulators outlined its guidance on securing, testing and monitoring systems and services. It also highlighted resources with practical information for strengthening user awareness regarding safe online practices. **Read More from FFIEC.**