



CFPB Issues Policy Statement Rescissions

At the end of last month, the CFPB alerted the industry that they were **rescinding seven policy statements**. Financial institutions should carefully review these rescissions to determine their impact. The CFPB is also rescinding one of their prior bulletins regarding supervisory communications.

The Bureau's policy statements being rescinded were issued in 2020 and provided flexibilities related to certain regulatory or compliance matters. They were issued to provide relief to institutions that were dealing with various disruptions brought about by the pandemic. In the CFPB's opinion, as many institutions now have more robust capabilities and operations, the temporary flexibilities provided for are no longer practical.

In this article, we will discuss the various policy statements and their rescission:

- **[Rescission of Statement On Bureau Supervisory and Enforcement Response to COVID-19 Pandemic](#)** – The referenced statement was initially issued on March 26, 2020, and communicated the Bureau's exercising of its supervisory and enforcement discretion during the pandemic. It addressed the consideration of staffing and resource challenges for an institution. The statement was rescinded effective April 1, 2021. NOTE: This rescission statement also withdraws the CFPB as signatory to two other statements: a) Interagency Statement on Loan Modifications and Reporting for Financial Institutions Working with Customers Affected by the Coronavirus and b) Interagency Statement on Appraisals and Evaluations for Real Estate Related Financial Transactions Affected by the Coronavirus.
- **[Rescission of Statement of Policy on Supervision and Enforcement Practices Regarding Quarterly Reporting Under HMDA](#)** – On March 26, 2020, the Bureau issued a statement regarding its authority to exercise its discretion in connection to HMDA and stated it would not cite in an exam or initiate an action against an institution that did not file its HMDA data quarterly. That statement was rescinded effective April 1, 2021, and institutions that are required to file quarterly must do so beginning with their 2021 first quarter data, which is due on or before May 31, 2021.

Online Compliance Consulting **Update!**

The Online Compliance Consulting Dashboard has been enhanced!

- **NEW COVID-19-Related Resources:** *A searchable listing of resources can be found at the top of the Online Compliance Dashboard in the COVID-19 section.*
- **Updated Compliance Calendar**
- **1Q Be Prepared! Slide Deck**
- **Knowledge Base Updates:**
 - New SAR FAQs
 - New & Updated PPP FAQs
 - New CRA & COVID FAQs
 - FDIC COVID FAQs

To access this information and all other compliance features, go to:

<http://compliance.smslp.com/>

- [Rescission of Statement of Policy on Supervisory and Enforcement Practices Regarding Bureau Information Collections for Credit Card and Prepaid Account Issuers](#) – The referenced statement was initially issued on March 26, 2020. It communicated the Bureau’s exercising of its supervisory and enforcement discretion related to Reg. Z and Reg. E and stated it would not cite in an exam or initiate an action against an institution that did not submit to the Bureau certain information related to credit card and prepaid accounts. That statement was rescinded effective April 1, 2021, and guidance is included on how entities should now meet information collection requirements.
- [Rescission of Statement of Policy on Supervisory and Enforcement Practices Regarding the Fair Credit Reporting Act and Regulation V in Light of the CARES Act](#) - The referenced statement was initially issued on April 1, 2020. It communicated the Bureau’s exercising of its supervisory and enforcement discretion related to the FCRA and Reg. V. Effective April 1, 2021, the portion of the Statement that sets forth the Bureau’s flexible supervisory and enforcement approach during the pandemic was rescinded; however, the rescission does not apply to the portion of the Statement that is under the heading “Furnishing Consumer Information Impacted by COVID-19.”
- [Rescission of Statement of Policy on Supervisory and Enforcement Practices Regarding Certain Filing Requirements Under the Interstate Land Sales Full Disclosure Act and Regulation J](#) - The referenced statement was initially issued on April 27, 2020. It communicated the Bureau’s exercise of its supervisory and enforcement discretion related to certain annual reports of activity and financial statements by land developers. This statement was rescinded effective April 1, 2021.
- [Rescission of Statement on Supervisory Enforcement Practices Regarding Reg. Z Billing Error Resolution Timeframes in Light of the COVID-19 Pandemic](#) - On May 13, 2020, the Bureau issued a statement regarding its authority to exercise its discretion in connection to Reg. Z and stated it would not cite in an exam or initiate an action against an institution that took longer than required by the regulation to resolve a billing error notice, as long as good faith efforts were made. That statement was rescinded as of April 1, 2021.
- [Rescission of Statement of Policy on Supervisory and Enforcement Practices Regarding Electronic Credit Card Disclosures in Light of the COVID-19 Pandemic](#) - On June 3, 2020, the Bureau issued a statement regarding its authority to exercise its discretion in connection to Reg. Z and stated it did not intend to cite in an exam or initiate an action against an issuer that during a phone call does not obtain a consumer’s E-Sign consent to the electronic provision of certain disclosures, as long as certain other actions were taken. That statement was rescinded as of April 1, 2021.

As mentioned above, besides the referenced policy statements, the Bureau is also rescinding their Bulletin 2018-01, “**Changes to Types of Supervisory Communications,**” which clarified how the Bureau articulates supervisory expectations; for example, Matters Requiring Attention (MRAs) and Supervisory Recommendations (SRs). That prior bulletin is being replaced by [bulletin 2021-01](#).

BSA/AML

Have you been struggling to keep on top of recent BSA/AML-related news? Are you wondering what recent changes were made to the BSA/AML Examination Manual? Do you know what feedback FinCEN and other Agencies are requesting related to BSA/AML Compliance?

Calendar Reminders

- 4/1 – CRA Public File Update
- 4/30 – HMDA LAR Quarterly Update
- 5/30 – HMDA LAR Quarterly Submission

To learn this and much more, mark your calendars to join us for our **Annual BSA/AML Webinar**, scheduled for **June 24th**.

This annual presentation, made jointly with Sheshunoff's National Compliance Services Director and Director of BSA/AML services, is a favorite every year. It is full of details that no BSA Officer and staff should miss. So, mark your calendar now; details are forthcoming.

Other Bureau Communications

Besides the various policy statement rescissions as reflected above, the Bureau has also been very communicative on other topics.

- On April 7th, the Bureau issued **Bulletin 2021-02** on the topic of **Supervision and Enforcement Priorities Regarding Housing Insecurity**. This guidance is intended to address risks to consumers needing assistance in the future as COVID-19 foreclosure moratoriums and forbearances end. The Bureau will scrutinize how mortgage servicers respond to borrowers that request loss mitigation assistance and how such applications are processed, noting that servicers are urged to dedicate sufficient resources to this process. Interested persons may find the Bulletin [here](#).
- On April 9th, the Bureau published a **Proposed Rule** in the Federal Register entitled **Protections for Borrowers Affected by the COVID-19 Emergency Under Real Estate Settlement Procedures Act, Regulation X**. The proposal includes an amendment establishing a temporary pre-foreclosure review period through the end of 2021 for certain loans. It also addresses the offering of certain loan modifications, in certain situations, based on the evaluation of an incomplete application. The comment period is open through May 10th. Interested persons may find the proposed rule [here](#).
- On April 19th, the Bureau published a **Proposed Rule** in the Federal Register to amend Reg. F, which implements the **Debt Collection Practices** rule. The proposal is to extend the effective date from November 30, 2021, to January 29, 2022. Interested persons may find the proposed rule [here](#).

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For more information or a free demo, contact Rhonda Coggins at 512-703-1509.



Our next **Be Prepared!** Compliance Update webinar is scheduled for **June 24, 2021**. Details are forthcoming.

Contact Us

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