



### The Dodd-Frank Act...the gift that keeps on giving!

Since 2010, the financial services industry has contended with a variety of impacts as a result of the **Dodd-Frank Wall Street Reform and Consumer Protection Act**. *And, we're not done yet.*

With the Act documented in over 1,300 pages of text, it's understandable that implementation of certain elements has yet to begin. As some may recall, Title X, Subtitle G of the Act addressed certain regulatory improvements, one of which was section 1071 for **small business data collection**. As the Act amended the Equal Credit Opportunity Act, the industry has awaited regulatory changes to implement those new requirements. That wait has come to an end...almost!

Earlier this month, the CFPB issued **proposed** changes to **Regulation B** to implement those Dodd-Frank Act requirements. According to the CFPB, *"Section 1071's purposes are to facilitate enforcement of fair lending laws and to enable the identification of business and community development needs and opportunities for women-owned, minority-owned, and small businesses."* The proposed rule includes:

- identification of covered financial institutions, covered applications, covered credit transactions, and small businesses;
- requirements to collect and report data;
- provisions regarding the availability and publication of data;
- limitations of certain persons' access to certain data;
- recordkeeping requirements; and
- implementation of an effective date after 90 days, and a compliance date after 18 months, of the publication of a final rule.

Interested persons may find the Dodd-Frank Act [here](#) and the CFPB's proposed rule to amend Reg. B [here](#).

### Online Compliance Consulting **Update!**

The Online Compliance Consulting Dashboard has been enhanced!

- **Updated 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**
- **New Knowledge Base SC+S Tool – RESPA Procedural Safeguards Checklist**
- **Updated Thought Leadership Resources**
- **Updated Links to Regulations – FinCEN**
- **Updated BSA Vault Resources – XML User Guides**

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

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

## NEW Authentication Guidance

Last month, the FFIEC, on behalf of its members, issued guidance entitled “**Authentication and Access to Financial Institution Services and Systems.**” Readers should be aware that members include the **Federal Reserve, FDIC, NCUA, OCC, CFPB, and the State Liaison Committee.**

While compliance-related staff are often, somewhat removed from IT-related affairs, the risk management issues covered in this guidance relate to **safety and soundness** concerns. The guidance addresses effective authentication and access risk management principles and practices for **customers, employees and third parties** accessing digital banking services and information systems.

This new guidance replaces the FFIEC-issued authentication guidance from 2005 and 2011. It highlights the **current cybersecurity environment** and increased remote access. The guidance recognizes the importance of an institution’s **risk assessment** to determine suitable access and authentication methods. Of note, the **Appendix** to the guidance provides **examples of practices and controls** related to the topic, broken into several different risk categories.

Interested persons are encouraged to review the updated guidance and implement effective risk management practices related to authentication and access. It may be found [here](#).

## ICYMI...New HMDA Resources

Just in case you missed it, we wanted to share that on September 10th, the CFPB announced their release of a **HMDA Filing Instruction Guide (FIG)** for data collected in 2022. The 2022 FIG is designed to help financial institutions file HMDA data collected in 2022 and reported in 2023.

The CFPB also announced their release of a “**Supplemental Guide for Quarterly Filings for 2022.**”

Interested persons may find these new resources [here](#).

## FinCEN Updates XML User Guides

Just last month, FinCEN released **updated XML Schema User Guides** on their website, in the Filing Information section.

While the August revisions were minimal in nature, BSA staff should be aware that the following updated guides are now available:

- **CTR XML User Guide - version 1.8**
- **DOEP XML User Guide – version 1.2**
- **SAR XML User Guide – version 1.6**

Interested persons may find these resources on FinCEN’s website, in the Filing Information section, [here](#).

## Calendar Reminders

- **9/30** – Sunset of Nat’l Flood Insurance Program (if not renewed)
- **9/30** – Be Prepared! Quarterly Compliance Update
- **10/30** – Reg. C HMDA LAR Update



Our next **Be Prepared!** Compliance Update webinar is scheduled for **September 30, 2021**. Details have been posted to the Online Compliance Consulting Dashboard’s Compliance Calendar.

## New SC+S Resource

As we've reported on recently, the new **2021 Mortgage Servicing Rule** became effective on August 31, 2021. The rule established new RESPA requirements, designed to protect borrowers affected by the COVID-19 emergency. Part of those new protections included **temporary procedural safeguards** that apply to foreclosure referrals, subject to certain exceptions.

While appropriate policies and procedures must be implemented, Sheshunoff has developed a **RESPA Procedural Safeguards Checklist** to assist you in meeting requirements. Interested persons may find this new resource in the Online Dashboard, Knowledge Base's SC+S Tools, Checklists, Guides folder.

## FinCEN Notice

On September 16<sup>th</sup>, FinCEN issued notice FIN-2021-NTC3, entitled "**FinCEN Calls Attention to Online Child Sexual Exploitation Crimes**" (OCSE).

The notice highlights that FinCEN has observed a **147% increase in OCSE-related SARs between 2017 and 2020**. Crimes related to this activity can include the funding, production, and distribution of child sexual abuse materials.

Institutions are encouraged to review the notice and be on the lookout for such activity. The notice includes SAR filing instructions and other supporting information.

Interested persons may find FinCEN's notice [here](#).

## Convenient and Affordable Compliance Assistance

Do you need help preparing for the upcoming regulatory requirements? SC+S can help with our **Online Compliance Consulting Services**, which combines the ease of online tools with the guidance of a compliance expert.

You will have access to an online compliance expert who will:

- Answer all of your compliance questions;
- Review your new policies and disclosures for compliance; and
- Train your Board of Directors on upcoming regulatory requirements.

You will also receive access to our online tools, including:

- Our Compliance Calendar;
- Our Dashboard Feature and Progress List, that enables you to determine what steps you will need to take to comply with the requirements and track your progress as you implement them;
- Our exclusive Knowledge Base of compliance Q&As; and
- FREE access to our quarterly Be Prepared! webinar series.

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

## Contact Us

**Sheshunoff Consulting + Solutions**  
901 S. Mopac Expressway  
Building II, Suite 565  
Austin, TX 78746

*You have received this newsletter as either a complement to other SC+S services you receive, or in response to your request. If you no longer wish to receive this newsletter, please send an email to [compliance@smslp.com](mailto:compliance@smslp.com).*

© 2021 SCSR, L.L.C.

*No further reproduction or distribution is allowed outside your organization without permission.*