



CBAI E-Newsletter, sponsored by SHAZAM

Edition: March 20, 2024

IN THE NEWS

Illinois Primary Election Coverage - March 19, 2024

Illinois held its 2024 Primary Election on Tuesday, March 19th, in which party nominees were selected for U.S. President, 21 State Senate offices, and all 118 State House seats. All 17 Illinois Congressional seats are up for election, as are two Illinois Supreme Court seats. There are no statewide offices up for election this year.

It was mixed results for progressive political leaders. Left-leaning Senate candidate Graciela Guzman defeated appointed Senator Natalie Toro, who was heavily backed by Senate President Don Harmon. In the House, Sonia Khalil, a progressive community activist, was defeated by Rick Ryan, who had the support of House Speaker Chris Welch.

In addition to selecting party nominees for each office on the ballot, voters in Chicago rejected the "Bring Chicago Home" ballot referendum, which was an effort by progressive political forces, led by Mayor Brandon Johnson, to establish a one-time real-estate transfer tax on properties valued at \$1 million or more to fund homelessness prevention and affordable housing programs. At the time of this writing, only 46.1 % of voters voted in favor of the "Bring Chicago Home" ballot question.

In downstate Illinois, conservative incumbent republicans fought back challenges from the far right, including Congressman Mike Bost, State Senator Terri Bryant, and State Representative Dave Severin.

[See Full Recap »](#)

CBAI ACTION ALERT: Urge Congress to Pass Farm Bill with Community Bank Priorities and Without FCS Expansion

CBAI joins with the ICBA in asking Illinois community bankers to urge their members of Congress to support the passage of a new five-year Farm Bill with important community bank priorities, including higher loan limits on USDA guaranteed farm loans and a quicker turnaround time for USDA Express loan approvals, and without an expansion of the Farm Credit System and their exemption from the Dodd-Frank's Section 1071 small business data collection rule. While the timing of Congressional consideration is uncertain, action on this legislation could come as early as this spring.

[Write Congress »](#)

[Call Congress »](#)

NEWS FROM THE FRONT

The spring session of the Illinois General Assembly is in full swing. Legislators are considering proposals to make all bank employees mandated reporters for elder fraud and abuse, create a data match program so the Illinois Department of Revenue can identify bank customers who owe back taxes, require banks to serve customers in whatever language they prefer, reign in "junk fees," and shield medical debt from credit reports.

[Read NEWS FROM THE FRONT »](#)



Registration is Open for CBAI's Call on Washington!

Registration is now open for CBAI's 42nd Annual CBAI Call on Washington which will be held on April 28 - May 1, 2024. Please plan to join us for this event to let your voice be heard. Celebrating its 42nd year, CBAI bankers from across Illinois will be traveling to Washington, D.C. to call on their members of Congress and banking regulators to support issues of importance to Illinois community banks.

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CBAI Joins the ICBA's Check Fraud Task Force

The Community Bankers Association of Illinois (CBAI) has joined the Independent Community Bankers of America's (ICBA) Check Fraud Task Force. CBAI now becomes part of a group representing diverse geographies and varied strategic and operational experience seeking to address this significant problem. The objectives of the ICBA Task Force include sharing knowledge and experience to help inform members' strategies; developing a list of best practices for preventing, detecting and mitigating check fraud; and providing ongoing feedback to inform future advocacy efforts.

CBAI has been engaged in addressing the problem of check fraud for the past 18 months. During that time, we surveyed our members and written to the regulators with observations and recommendations. We also provided guidance to our members for elevating the problem of check fraud to the federal regulators, as they supervise the largest banks that are the ones primarily responsible for enabling this problem in the banking industry.

CBAI's efforts have gained national attention, most recently during a United States Senate Banking Committee hearing titled *Examining Scams and Fraud in the Banking Industry*. Our member survey results were included in ICBA's written testimony to the Senate Banking Committee, and Maryland Senator Christopher Van Hollen quoted from CBAI's February of 2023 letter to the federal banking regulators describing the problem and what needs to be done.

[See CBAI's Member Guidance »](#)

[See Committee Hearing Video »](#)

[See ICBA's Written Testimony »](#)

Last Chance to Request Free Marketing Materials for Community Banking Week in Illinois!

April 7-13, 2024, is the 34th anniversary of Community Banking Week in Illinois! This year's theme is "Your Success Is Our Success." Celebrate the independent spirit that is the hallmark of locally-run banks. For your FREE digital marketing kit, contact [Cortni](#) today! Marketing resources include advertisements, lobby poster, social media graphic, PSAs, new release, radio scripts, letter to the editor, and more!


Illinois Community Bankers Attend ICBA LIVE in Orlando

Last week's ICBA LIVE, the nation's largest annual gathering of community bankers, was held in Orlando with a large Illinois contingency in attendance. This year's convention theme was "Here for Good," which is a testament to the enduring legacy of community banks and their relationship-based business model focused on building better communities. The event featured remarks from Air Force Lt. Col. Dan Rooney, classically trained pianist Jade Simmons, ICBA Chairman Derek Williams, ICBA Chairman-elect Lucas White, and ICBA President and CEO Rebeca Romero Rainey. This year's event also featured more than 70 sessions and learning labs spanning six tracks and more than 200 exhibiting companies during the Expo. CBAI hosted a state reception on Friday March 15, that was attended by nearly one hundred Illinois community bankers, their guests, ICBA Leadership and other friends of community banking. CBAI would like to thank the following sponsors for supporting this event: **Federal Home Loan Bank of Chicago, Adlumin, Advantage Powered by JMFA, Core10, Econocheck, Fitech, IRONCORE, Ncontracts, QUILO 2.0, SHAZAM, The Baker Group, and Wolters Kluwer.**

Complete CBAI's 2024 Annual Compensation Survey by April 15 To Receive FREE Results!

Create a culture that inspires engaged and loyal employees! Complete the 2024 Compensation Survey quickly and easily by April 15, 2024, and receive FREE results. (Non-participants pay \$400). Conducted by BalancedComp and sponsored by Risk Strategies | IZALE Financial Group, the compensation survey is available on CBAI's website!

[Take the Survey »](#)



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FHLBank Chicago is committed to providing products, solutions, and services that support our members' evolving business needs and help their communities thrive.

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FDIC-Insured Institutions Reported Full-Year 2023 Net Income of \$256.9 Billion and Fourth Quarter 2023 Net Income of \$38.4 Billion

Reports from 4,587 commercial banks and savings institutions insured by the Federal Deposit Insurance Corporation (FDIC) reflect aggregate full-year 2023 net income of \$256.9 billion, down \$6 billion (2.3 percent) from the prior year, and fourth quarter 2023 net income of \$38.4 billion, down \$30 billion (43.9 percent) from the prior quarter. Non-recurring, noninterest expenses at large banks drove the decrease in quarterly earnings. Higher provision expense and lower noninterest income also contributed to the decline. These and other financial results for fourth quarter 2023 are included in the FDIC's latest Quarterly Banking Profile recently released.

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Senator Plugs “Trigger Leads” Bill During Hearing

Senate Banking Committee members discussed legislation to protect the financial privacy of mortgage applicants during a hearing on housing policy. At the hearing, Sen. Jack Reed (D-R.I.) urged support for his bipartisan bill to bar credit reporting agencies from selling consumers' contact information when they apply for a residential mortgage without a consumer opt-in. The Homebuyers Privacy Protection Act (S. 3502/H.R. 7297)—introduced along with Sen. Bill Hagerty (R-Tenn.) and Reps. John Rose (R-Tenn.) and Ritchie Torres (D-N.Y.)—would reform the current process for opting out of these “trigger leads.”

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ICBA Seeking Service Award Nominations

ICBA is accepting nominations for its National Community Bank Service Award program, which recognizes community banks that have stepped up for their communities in significant ways. Sponsored by FIS, this year's awards recognize exceptional community bank service as well as emerging service programs that have been in place for less than three years. The deadline to submit nominations is Tuesday, April 30.

[Submit Nominations »](#)

FedNow Service Early Adopters Share Insights on Instant Payment Use Cases

The Federal Reserve's FedNow® Service launched in July 2023, enabling eligible U.S. depository institutions of various sizes to build and deliver instant payment solutions to their customers. Today, hundreds of institutions are on the network, and the number is growing daily.

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Fraud Loss Protection Plan Now Open to All ICBA Members

For the first time, ICBA Payments is offering all ICBA member banks access to its exclusive Fraud Loss Protection Plan — including those without a debit or credit issuing relationship with ICBA Payments. An informational webinar scheduled for 2 p.m. (Eastern time) on Thursday, March 28, will discuss coverage guidelines, deductible and copayment guidelines, participant obligations, premium costs, and how to start the agreement process. The webinar will include Q&A and offer attendees the chance to win a \$50 Mastercard gift card.

[Learn More and Register »](#)



Nominations are Now Being Accepted for the 2024 FORVIS Award for Excellence and Innovation, Presented by CBAI

Nominations are being taken for the 2024 Excellence & Innovation FORVIS Award, presented by CBAI and the accounting firm of FORVIS. The purpose of the award is to bring recognition to banks with an outstanding and innovative product/service or program. Your bank does not need to be a FORVIS client to enter. Nominations are due at CBAI headquarters no later than Friday, May 31, 2024. Last year, the winner was Beardstown Savings, s.b. This year, your bank could be the winner! Send us your community bank's innovative programs and unique community service projects. Your extra efforts deserve to be recognized! Nominations can be submitted to [Valerie Johnston](#).

[Learn More About the Award »](#)

[Download a Nomination Form »](#)

ICBA LIVE ThinkTECH Accelerator Showcase Features New CBAI Associate Member

The [ThinkTECH Showcase](#) at ICBA LIVE 2024 featured product demos from participants in the sixth Accelerator program, which focused on small business, data analytics, and compliance. Among the featured firms was new CBAI associate member **Revio**, which helps analyze transaction details to uncover deposit-growth and revenue-generation opportunities. Other featured Accelerator participants included:

- Azimuth – provides automated full-population compliance testing
- Conductiv – collects lending and loan-servicing data to incorporate into underwriting and lending processes
- HuLoop Automation – uses AI to automate and streamline processes to support decisioning and governance
- Monit – provides cash-flow analysis, forecasting, and a guidance platform with data-driven tools and insights
- Trust Stamp – enables one-to-one and one-to-many identities without sacrificing biometric security or utility.

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Federal Reserve Bank of Chicago Offering Inaugural Holding Company Symposium

The Federal Reserve Bank of Chicago (FRB) is hosting the inaugural Holding Company Symposium on Wednesday, May 22, 2024, at the FRB headquarters in Chicago, with a remote option for those unable to attend in person. The conference will consist of presentations on current industry developments and key holding company supervision issues. It provides an opportunity for attendees to have a dialogue on areas of supervisory focus, the banking environment, and regulatory updates.

Austan D. Goolsbee, president and chief executive officer of the Federal Reserve Bank of Chicago, delivers opening remarks, and keynote speaker, Naomi Mercer, SVP of Diversity Equity & Inclusion (DEI) at the American Bankers Association, discusses banking trends associated with DEI. Additionally, John Geiringer, BFKN Financial Institutions Group partner and regulatory section leader, and Colette Fried, AVP of Mergers, Acquisitions & Enforcement at the Federal Reserve Bank of Chicago, discuss holding company hot topics and trends. New sessions and speakers will continue to be advertised and are likely to include holding company tax strategies and the supervision of novel activities.

Executive officers and directors of 7th District bank holding companies, banking trade associations and regulatory agencies would benefit from attending. A formal invitation with instructions on how to register for this conference will be provided in March. For more information, contact Rita Rivera at 312-322-5817 or by email at Rita.A.Rivera@chi.frb.org.



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NEWS FROM SERVICES



CRA Partners Announces Rebrand

CRA Partners, a subsidiary of the Independent Community Bankers of America (ICBA), has unveiled a new name and logo as part of a rebranding initiative. They will now be called ICBA CRA Solutions. The update better reflects the relationship with parent company ICBA, which recently underwent a brand refresh. As CRA modernization is underway, the company's expansion into new areas, including CRA training and education, CRA support services, and a peer group for CRA professionals (The CRA Collaborative). The organization will continue to offer programs that earn community banks CRA credit through support of their Senior Housing Crime Prevention Foundation, as it has done for more than 20 years. Staff and ownership remain unchanged, and they will continue to serve the needs of community bankers with the dedication and quality those bankers have come to expect.

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ADVANTAGE/JMFA On-Demand Webinar: Overdraft Overhaul: Insights into the CFPB's Game-Changing Proposal

In case you missed it, this recorded session takes a closer look at the Consumer Financial Protection Bureau's proposed rule, Overdraft Lending: Very Large Financial Institutions. While the proposed rule currently exempts financial institutions under \$10B in assets, it may reshape overdraft practices for all financial institutions. Key takeaways include contributing factors for the regulatory action, potential impact on community banks, and actionable steps to evaluate your overdraft strategy more proactively.

[View Webinar »](#)

Ncontracts Webinar: Masterful Contract Management: How to Negotiate, Review and Manage Contracts

A good third-party contract defines performance expectations, sets fair pricing, and gives your institution the tools it needs to ensure the vendor is living up to its word. Join Ncontracts on Thursday, March 28, at 1:00 PM CST, for expert guidance on how to negotiate, review, and manage vendor contracts with Michael Berman, founder and CEO of Ncontracts.

[Register Today »](#)

CBIS: The Everyday Hacker

A sophisticated, multi-part new hack called Operator Triangulation has recently come to light that turns your iPhone into a spy, giving the hackers access to everything you do on your phone. Hackers are using a complex and detailed series of hacks to break into phones and load them with software that could be used to spy on their users. Think of how all your colleagues use their phones for business. What are the potential risks?

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Ncontracts: March 2024 Regulatory Brief: Junk Fees, BSA and CRA

Looking for information about the latest regulatory proposals, final rules, lawsuits, and trends? Each month Ncontracts' team of regulatory compliance experts goes in-depth on the month's top compliance stories, giving you insights into regulatory change, concerns, and what's coming down the road. This month features the latest on junk fees, Bank Secrecy Act/Anti-Money Laundering (BSA/AML) trends, and the Community Reinvestment Act, among other hot topics. Read on for a quick overview or watch the Regulatory Brief podcast for an in-depth discussion. You can also log into Ncontracts' compliance management system (Ncomply) for updates and action plans.

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MORE UPCOMING EDUCATIONAL PROGRAMS

CBAI Announces After-Dinner Presentation at 2024 Group Meetings

CBAI leaders and executive staff are visiting 11 locations on the 2024 Group Meeting Tour this spring. Bankers from nearly 200 banks participate in these enjoyable and informative events each year. Consisting of an informative, hot-topic presentation, as well as association reports, Group Meetings provide an excellent opportunity to get the latest information on key banking issues and catch up with friends and peers.

This year's after-dinner presentation is titled "Current Trends in International Cybercrime: The Underground Check Fraud Ecosystem." The presentation will be conducted by either Robert Villanueva or Eli Dominitz of Q6 Cyber and discusses how financial institutions must deploy proactive threat intelligence that detects imminent threats with greater speed, accuracy and effectiveness to win against sophisticated cybercriminals and fraudsters. CBAI President Craig Lounsberry provides updates on Association projects and community banking in general and Senior Vice President of Governmental Relations Jerry Peck offers an up-to-the-minute report of banking-related legislative activities.

If the meeting in your designated group does not work with you or your staff's schedule, feel free to attend any of the other 10 meetings. Also, your bank may attend additional meetings to try out some new and fun places!

Do you want more information on other Group Meetings besides the group you belong to? No problem! Just [download this form](#), mark which meetings you are interested in, and send it in to cbaieducation@cbai.com, so that we can send you more information on the particular Group Meetings that strike your interest. Registration is now open for Groups 10, 11, 12, 7 and 4. [Visit CBAI's Group Meeting Webpage »](#)

Early-Bird Registration Now Open for CBAI's 50th Annual Convention & Exposition!

Registration is now open for CBAI's 50th Annual Convention & Exposition, scheduled for September 19 – 21, at the Crowne Plaza in Springfield. CBAI is excited to celebrate this incredible milestone in community banking history. Don't wait! Register today for early-bird pricing and receive a significant discount to attend CBAI's showcase event! You won't want to miss CBAI's 50th Annual Convention & Exposition as we celebrate 50 Years – One Mission – Community Banks.

[Early-Bird Registration Form »](#)

CBAI offering What You Need to Know to Prepare for Your Next IT Examination on April 2 in Springfield or Via On-Demand Recorded Session

CBAI is pleased to offer "What You Need to Know to Prepare for Your Next IT Exam" scheduled for April 2, 2024, at the CBAI Headquarters, Springfield, or via on-demand recorded session. There is a big misconception that an IT examination is a technical security assessment focused solely on computer systems, the network, and logical controls. While the technological components and the IT department are most definitely included in the examination, it doesn't start and end there. An IT examination has an enterprise-wide reach that covers technology as well as operations. Information and cyber security along with business resiliency, incident response, and outsourced third-party risk management are also key elements of the examination. Want to be better prepared for your IT examination? How about learning more about the FFIEC interagency guidance and handbooks that will most

definitely be a focus in your upcoming IT examination? In addition, the FDIC, FRB, and State Banking Agencies (CSBS) have developed a new Information Technology Risk Examination (INTREX) that is now in use. While there are items unique to each agency (OCC, FDIC, FRB, State), the overall concept and focus are basically the same. In this information-packed seminar, the speaker provides an overview of the examination processes and the revised FFIEC IT Examination Booklets, and drops some hints on the “hot spots” and most common examination findings. Senior management, operations, audit, compliance officers, IT staff and anyone else responsible for preparing for and overseeing the examination program should attend this seminar.

[Register Today »](#)

CBAI’s Marketing AI Bootcamp Scheduled for April 15 in Springfield or Via On-Demand Recorded Session

CBAI is pleased to offer the “Marketing AI Bootcamp” on Monday, April 15, 2024, at the CBAI Headquarters in Springfield or via on-demand recorded session. Given the growing and potential impact of AI, a variety of areas from within the bank would benefit from attending CBAI’s Marketing AI Bootcamp. This includes not only marketing and retail managers but also senior management, sales managers, technology directors, as well as those in compliance. Each area of the bank stands to benefit from AI’s capabilities, so you don’t want to miss this hands-on learning opportunity. This interactive seminar explores the role of AI in shaping the future of marketing within financial institutions. Attendees learn about strategic applications of AI that can optimize their marketing functions and drive meaningful customer engagement. This session also addresses common apprehensions related to AI, such as job security, and how AI can amplify banker’s capabilities and make them more valuable within their organizations. Participants come away equipped with an understanding of AI’s transformative potential with practical steps to leverage AI in enhancing marketing strategies, safeguarding data privacy, building proficient teams, and preparing for the future. By focusing on empowerment, we turn AI from a potential threat into a valuable tool for augmenting your capabilities, driving your strategies forward, and making a greater impact within your organization. Join Eric Cook, a seasoned community banker and digital agency owner, for a deep dive into the dynamic world of Artificial Intelligence (AI) and its transformative impact on the banking world and financial marketing strategies.

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CBAI Educational Calendar

