



IN THE NEWS

It's Community Banking Week!

This week is Community Banking Week in Illinois! This year's theme is "Growing Stronger Communities," and we are excited to honor the independent spirit that is the hallmark of locally-run banks. Let us know how your banking is celebrating Community Banking Week! We want to share your activities with our member banks on social media and in Banknotes magazine.

Contact **Valerie Johnston**.

CBAI ACTION ALERT: Urge Congress to Hold Hearings on Credit Union Expansion CBAI joins the ICBA in urging Illinois community bankers to contact their members of Congress to encourage Congressional hearings on tax-exempt credit union acquisitions of community banks. This renewed call comes after last week's announcement that a \$10 billion asset Florida credit union was acquiring a \$1.6 billion asset community bank in Georgia. Credit union tax avoidance has already cost American taxpayers billions of dollars, and the pace of credit union acquisitions of community banks is increasing at an alarming rate – already six in 2021.

Congress has the oversight authority over credit unions and your response to this Action Alert encourages your members of Congress to examine this dangerous trend and explore potential solutions.

Take Action Now »



Wynde Walker
wwalker@collegeave.com 571-243-4985

College **AVE**
STUDENT LOANS



President Signs into Law Legislation to Extend the Paycheck Protection Program

CBAI applauds President Biden for signing into law an extension of the Paycheck Protection Program (PPP). The legislation extends this vital SBA small business relief program, which is scheduled to expire on March 31st, to June 1st for new loan applications, with a final approval deadline of June 30, 2021.

The CARES Act ends this popular small business relief program on March 31st, but because many worthy applications have been flagged for various reasons, and the SBA is not clearing these holds in a timely manner, thousands of applications are at risk of

being stranded and not funded simply because the clock will have run out. This extension of the PPP provides an additional 60 days for new applications and then the SBA has a full month to work exclusively on clearing any remaining holds. CBAI does not believe denying well-deserving small businesses the funds they need to survive and recover was intended by Congress.

CBAI urged both the House and Senate members of the Illinois Congressional Delegation to support this legislation and we are pleased to report that every member of our delegation voted to pass this three-month extension of the PPP.

SBA Issued Revised Guidance on Hold Codes and Error Messages

The SBA issued revised guidance on the Paycheck Protection Program's platform regarding the updated procedures on addressing hold codes and compliance check error messages.

[Second Notice of Revised Procedures for Addressing Hold Codes and Compliance Check Error Messages on PPP Loans »](#)

In its recent updates, the SBA said it has refined its automated screening process to return fewer hold codes and now allows greater use of lender certifications to resolve hold codes. SBA also removed error messages related to borrowers' disqualifying criminal histories and delinquent or defaulted federal student loans after revising those eligibility restrictions.

The SBA's existing Procedural Notice provides lenders with methods for resolving hold codes on first-draw PPP loans and compliance check error messages on first- and second-draw loans.

[SBA Existing Procedural Notice from February 10, 2021 »](#)



The advertisement for FHLB Chicago features a woman in a white shirt holding a yellow sign that says "Open" in a cursive font. Below her is a banner with the text "They reach for a dream. You are the solution." and the FHLB Chicago logo. The logo consists of the letters "FHLB" in blue, a stylized house icon in yellow and blue, and the word "Chicago" in blue. Below the banner is another FHLB Chicago logo with the text "Federal Home Loan Bank of Chicago" and the website "www.fhlbc.com". To the right of the image, the text "FHLB Chicago" is displayed in a large blue font, followed by "Federal Home Loan Bank of Chicago" in a bold black font, and "Visit www.fhlbc.com" in a red font.

2021 CBAI Compensation Survey Deadline Extended to April 30

The deadline to complete CBAI's Compensation Survey has been extended from April 15 to April 30. Ensure your bank has the competitive edge in recruiting top talent! Complete the 2021 Compensation Survey quickly and easily by April 30, 2021, and receive free results. (Non-participants pay \$300). Conducted by BalancedComp and sponsored by CBSC Preferred Provider IZALE Financial Group, the compensation survey is now available on CBAI's website.

[Complete the Survey »](#)

Save the Date for the 2021 Call on Washington in Conjunction with ICBA's 2021 Capital Summit

Every year, CBAI invites community bankers from across the state to meet with their members of Congress in Washington, D.C. to discuss their important challenges and opportunities. However, with COVID-19 restrictions still in place this year, CBAI invites you to come together virtually with the Independent Community Bankers of America on April 27, 2021, from 10:00 am to noon, for this premier advocacy event for our industry and your community bank.

We plan to hear from Senate Banking Committee Chairman Sherrod Brown (D-OH) and other speakers have been invited. In addition, that week and beyond CBAI will be arranging Capital Conversations with members of the Illinois Congressional Delegation and you will be invited to participate. More information will be available soon.

CFPB "Warns" Mortgage Servicers About Foreclosure Wave

The Consumer Financial Protection Bureau "warned" mortgage servicers to take all necessary steps to prevent a wave of foreclosures this fall. In a compliance bulletin, the CFPB said servicers should dedicate sufficient resources and staff now to prepare for a surge in borrowers needing help when federal emergency mortgage protections expire this summer and fall.

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FDIC Names Chicago Regional Director

The FDIC appointed Gregory P. Bottone as regional director of the Chicago Region, effective immediately. Bottone will direct risk management and consumer protection supervision programs for financial institutions in Indiana, Illinois, Kentucky, Ohio, Michigan, and Wisconsin.

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IRS Issuing Refunds on Unemployment Benefit Change

The IRS said it will automatically refund money to Americans who already filed their taxes with unemployment compensation information before the American Rescue Plan instituted changes. Signed on March 11, the law allows taxpayers who earned less than \$150,000 in modified adjusted gross income to exclude 2020 unemployment compensation up to \$20,400. Any tax overpayment will be either refunded or applied to outstanding taxes owed. The first refunds will be issued in May and continue into the summer.

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CDC Extends Nationwide Eviction Ban

The Centers for Disease Control and Prevention extended its moratorium on residential evictions through June 30. Under the order, which was scheduled to expire March 31, landlords and residential property owners may not evict any covered person from any residential property in applicable jurisdictions. The order does not relieve any individual of any obligation to pay rent, make housing payments, or comply with contractual obligations under a tenancy or lease.

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I DECIDED TO PARTNER WITH SHAZAM.

We're the only nationwide independent debit network, processor and core provider supporting community banks. **As a leader in the industry we have a simple mission:**

Strengthening community financial institutions.

Agencies Issue Updated HMDA Guide

The Federal Financial Institutions Examination Council issued the 2021 edition of "A Guide to HMDA Reporting: Getting It Right!" for HMDA-related data collected in 2021 and reported in 2022. The resource can help financial institutions better understand HMDA requirements, including data collection and reporting.

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USDA Asks Lenders to Suspend Adverse Actions Against Socially Disadvantaged Farmers

The USDA's Farm Service Agency asked lenders to suspend adverse actions against guaranteed farm loan borrowers who are members of socially disadvantaged (SDA) groups while the agency develops a method to pay off SDA borrowers' direct and guaranteed loans. The payoff is required by Sec. 1005 of the American Rescue Plan Act signed into law March 12. The act will pay 120 percent of the outstanding indebtedness of each SDA farmer or rancher with an existing loan as of Jan. 1, 2021. An amendment to delete the provision was defeated on a 50-49 partisan vote.

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IRS: PPE is Tax Deductible

The Internal Revenue Service clarified that the purchase of personal protective equipment, such as masks, hand sanitizer and sanitizing wipes, for the primary purpose of preventing the spread of COVID-19, are deductible medical expenses.

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The Baker Group: Bank Investment Strategies for 2nd Quarter 2021 Webinar

The Baker Group is offering a webinar entitled "Bank Investment Strategies for 2nd Quarter" on Wednesday, April 14, 2021, at 10:30 a.m. CDT.

General topics will include:

- Economic Update and Fed Policy Outlook
- Industry Trends and Regulatory Hot Button Issues
- Current Investment Strategy Recommendations
- Interest Rate Risk and Liquidity Management Guidance

Financial institutions' CEOs, CFOs, investment officers, board members, and those who are directly or indirectly responsible for financial management functions will benefit from this webinar. **There is no cost for this webinar.**

[Register Today »](#)

Ncontracts: How to Lighten Your Compliance Management Workload

Compliance management is a never-ending job. As soon as one regulation is implemented or training or testing is completed, another one immediately takes its place. It can be overwhelming, but there are ways to lighten your compliance management workload while still staying compliant and on task.

[Find Out Ncontracts' Four Tips »](#)

Join Wolters Kluwer and CBAI for CRA Wiz Product Showcase

Join Wolters Kluwer on April 22nd from 12 – 1 p.m. CST for a CRA Wiz webinar. See for yourself why our CRA Wiz solution is preferred by industry experts and banks, just like you. While CRA analysis can be stressful and very time consuming for your teams, it doesn't have to be. When you see CRA Wiz, you'll see how easy complying with CRA requirements can be.

[Register Today »](#)

College Ave: Now is the Time to Prepare for Student Loan Season

Join College Ave Student Loans, a CBSC Preferred Service Provider, for a 30-minute webinar about College Ave's private student loan referral program. The webinar will help you gain a better understanding of the Illinois student loan market and why these customers could be an attractive retail market for your bank.

Your customers are now making college decisions and will soon be receiving financial aid award letters. Many of them will be looking for private student loans to help fund the upcoming academic year's costs. How can you help these families and keep them banking with you? **Join us to find out!**

When: Tuesday, April 20th at 10:00 am CT

[Register here for the webinar.](#)

When: Thursday, April 22nd at 2:00 pm CT

[Register here for the webinar.](#)

Harland Clarke: Instant Card Issuance Is No Longer a Nice to Have

Now more than ever, it's important to provide the experience customers expect, including greater levels of customization and convenience. Once only a bonus that large financial institutions could afford to provide, instant card

issuance is now within reach by financial institutions of any size, meaning you can meet and exceed customer expectations.

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Ncontracts: How Not to Manage Vendors - Strategies for Avoiding Costly Vendor Management Mistakes

Ncontracts is offering complimentary webinar entitled “How Not to Manage Vendors: Strategies for Avoiding Costly Vendor Management Mistakes” on Thursday, April 29, 2021, at 2 p.m. CT. No one wants to be a vendor management cautionary tale – yet that’s exactly what happens to too many financial institutions. Why does this happen, and what can be done to prevent it? Join us as we highlight the strategic mistakes and oversights that lead to third-party vendor problems and what your institution should be doing to prevent them. Don’t be caught flat-footed when it comes to vendor management. Make sure you know what to do – and what not to do.

[Register Today »](#)

Apiture: Banking Outside the Box: Embracing New Channels & Expanding Your Reach

Third-party platforms help sellers expand their markets by exposing them to consumers that they would otherwise be unable to access. Community financial institutions can leverage the digital prowess of platform companies to attract and onboard new customers, and then serve these new customers with the superior customer service that they uniquely offer.

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Kasasa: State of the Industry

Mixed economic signals, deposit-led asset growth, and “un-balanced” sheets. The economic turmoil from COVID-19 continues. See the big picture and plan for the road ahead. Stimulus measures have helped consumers and upended expectations for financial institutions.

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CBIS: Relationships Matter During a Hardening Insurance Market

Moving forward, relationships matter in a hardening insurance market. The new and renewal business process, already challenged due to underwriter turnover and individuals retiring, has been further complicated by COVID-19. Remote work and the influx of submissions have underwriters taking on multiple roles. Greater underwriting scrutiny also requires additional management oversight, which serves to lengthen the entire process. This unprecedented time, however, also offers opportunities for your community bank insurance agent-brokers. Read more.

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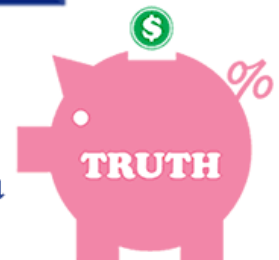
CBSC PREFERRED PROVIDERS

Auditing Regulation DD, Deposit Advertising, and CIP

April 20, 2021

SHAZAM Education Center, CBAI

It is easy to “forget” certain important pieces of information that have to appear in bank advertisement.



First Women's Bank Adds Tennis Legend Billie Jean King as Investor and Advisor

CBAI member First Women's Bank (in organization) has added tennis legend Billie Jean King as an investor and strategic advisor on gender equity. FWB is one of only a small number of de novo banks scheduled to open this year and Chicago's first bank startup in more than a decade. Currently the bank is completing its capital raising campaign and is scheduled to open in the summer of 2021. The bank's website highlights its "mission to grow the small business economy and advance the role of women within it."

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CBAI LEGAL: Purchase of Delinquent Real Estate Taxes; Not-so "Strict Compliance"

A recent Illinois Appellate Court opinion examined the notification requirements when a tax deed is issued to a purchaser of delinquent taxes at an annual county tax sale, but an Interpretive Letter from Illinois' Division of Banking may limit the practical effect of a purchase of tax certificates by Illinois state-chartered banks.

[Read Most Recent CBAI LEGAL »](#)



MORE UPCOMING EDUCATIONAL PROGRAMS

Registration is Now Open for CBAI's 2021 Group Meetings!

CBAI leaders and executive staff are visiting 11 locations on the Group Meeting tour this spring. Bankers from nearly 200 banks participate in these enjoyable and informative events each year. Consisting of an optional golf outing and a dinner meeting, Group Meetings also 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 "Skimming and Card Cloning," and will be conducted by Mike Burke from SHAZAM. Burke covers the anatomy of a debit card and how fraudsters are stealing this information with the use of skimming devices at ATMs, Points of Sale (POS) and fuel dispensers. CBAI President Kraig 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. (Note: The Group 1 & 2 Meeting will follow a different format and the meeting date will be released soon.)

[See the 2021 Group Meeting Schedule and Make Plans Now to Attend »](#)

Community Bank Directors' College to be Held April 19-21 in Springfield

The Community Bank Directors' College was developed in close cooperation with both state and federal regulators and is designed to teach individuals how to become more effective, capable and supportive members of their banks' board of directors. Its goal is to graduate directors who return to your bank more active, more knowledgeable and more decisive. In effect, they will be an even bigger asset to your community bank. The College provides a thorough understanding of bank operations and bank directors' responsibilities. The college is recommended for both new and seasoned bank directors.

[Register Today »](#)

Deposit Documentation Set for April 29, 2021, in Springfield

Each of these regulations, laws, or guidelines have aspects that relate to the initial disclosures, but the emphasis of this class is on the how and why. Many activities of tellers and customer-service representatives are driven by these regulations, but too often circumstances can make it difficult for those employees to apply the regulations because they don't know the details. This seminar describes the requirements, explains in a straightforward manner the basic principles, and then draws on real-life experiences to explore how to apply those principles.

Register Today »

VIEW CBAI's EVENTS CALENDAR

Basic BSA Institute



April 27-28, 2021
CBAI, Springfield



**2021 Professional Selling Skills
E-Classroom Series**
Register for this series today!

