



CBAI E-Newsletter, sponsored by SHAZAM
Edition: April 17, 2024

IN THE NEWS

State CRA Rules Finalized

The Joint Committee on Administrative Rules (JCAR) formally approved the administrative rules for the State CRA program at a hearing yesterday. The law, which only impacts state-chartered financial institutions, was passed in January of 2021, but could not be implemented until rules were approved. This approval sets the stage for IDFPR to begin implementing additional CRA exams for state-chartered banks and thrifts. JCAR also approved separate rules for state-chartered credit unions and non-depository mortgage lenders.

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NEWS FROM THE FRONT - April 8, 2024

CBAI's latest member survey on check fraud shows that the problem has continued to grow during the past year with more than 90 percent of community bankers impacted. We also have a roundup of legislation moving through the Illinois General Assembly and federal issues of concern in the latest edition of CBAI's NEWS FROM THE FRONT.

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CBAI's 2024 Annual Compensation Survey Deadline Extended Until April 30!

Create a culture that inspires engaged and loyal employees! Complete the 2024 Compensation Survey quickly and easily by April 30, 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 to complete on CBAI's website!

[Take the Survey »](#)

Registration Deadline Approaching for ICBA Capital Summit

With just a week left to sign up for the 2024 ICBA Capital Summit, registrations are trending toward record-level attendance for the industry's premier advocacy event. Scheduled for April 28-May 1 in Washington, D.C., the Capital Summit will bring community bankers from across the country to the nation's capital to meet directly with policymakers on issues including regulatory overreach, credit union policy, rural tax relief, and more. This year's summit will feature remarks from Dave Fishwick, whose story inspired the Netflix hit "Bank of Dave;" Senate Banking Committee member Jon Tester (D-Mont.); House Financial Services Committee Vice Chairman French Hill (R-Ark.); and others.

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Council of Federal Home Loan Banks Applauds GAO Report Findings

The Council of Federal Home Loan Banks, the public voice of the Federal Home Loan Bank System (FHLBank System), recently applauded the findings of a recently published report from the Government Accountability Office (GAO) on the actions of the FHLBanks during the spring 2023 bank failures that disrupted financial market

The GAO report provides a fact-based account of the role of the FHLBanks in the period up to and during the failures of Silicon Valley Bank (“SVB”), Signature Bank (“Signature”), and First Republic Bank (“First Republic”) between March and May of 2023. The report further notes that the FHLBanks of San Francisco and New York followed established procedures and worked closely with the Federal Reserve, the FDIC, the Federal Housing Finance Agency (which regulates the FHLBank System), and the state banking regulators of SVB, Signature and First Republic as the three banks’ conditions deteriorated.

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CBAI, ICBA Urge Farm Bill Passage

CBAI, ICBA and other state community banking associations urged the House to advance a new farm bill with key recommendations to support rural lenders and their farm and ranch customers. With action on a farm bill expected in the House this spring, the groups urged House members to ensure the next farm bill raises USDA guaranteed loan limits; includes the bipartisan USDA Express Loan Act (H.R. 5877) to speed up approval times for USDA loans; excludes proposals to expand Farm Credit System nonfarm business lending authority; and ensures any FCS exemption from the Consumer Financial Protection Bureau’s 1071 rule applies equally to community banks.

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ICBA Endorses Challenge to CFPB Credit Card Late Fee Rule

ICBA and other groups expressed support for House and Senate resolutions to nullify the Consumer Financial Protection Bureau’s final rule to cut credit card late fees. The resolutions—S.J.Res. 70 from Sen. Tim Scott (R-S.C.) and H.J.Res. 122 from Rep. Andy Barr (R-Ky.) — would express congressional disapproval of the rule and nullify its implementation. In letters to Scott and Barr, the groups said the CFPB rule would harm consumers who pay their credit cards on time by forcing issuers to increase costs while introducing long-term financial risk to the consumers it purports to help.

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Increased Funding Available for Downpayment Plus® Grant Program Puts Home Ownership in Reach for More Illinois and Wisconsin Home Buyers

To further support housing affordability, the Federal Home Loan Bank of Chicago (FHLBank Chicago) is increasing the maximum per member limit available for its Downpayment Plus® (DPP®) grant program to \$1 million per member. The increment represents a nearly 43% increase over the 2023 limit of \$700,000. More than 200 member banks, credit unions and CDFIs use the DPP program to provide down payment grant assistance to qualified home buyers.

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Chicago

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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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Payments Networks, Merchants Announce Settlement on Interchange Suit

Visa, Mastercard, major credit card issuers, and the merchants suing them announced a proposed settlement to end nearly two decades of litigation over credit card interchange. ICBA is analyzing this new settlement to determine the impact on the community banking sector. According to the plaintiff coalition, the proposed settlement includes provisions that would require Visa and Mastercard to cut the posted interchange fee of every merchant by at least four basis points for at least three years; bar the networks from raising interchange fees for merchants above the posted rates that existed as of Dec. 31, 2023; require the average effective systemwide interchange fee for Visa and Mastercard to be at least seven basis points below the current average rate; allow merchants to discount at the issuer level and adjust surcharges based on the costs associated with accepting different

credit cards, thereby steering consumers to preferred cards; require Visa and Mastercard to negotiate interchange fees with merchant buying groups; and permit merchants to discount debit card transactions.

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Nominations Are 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 »](#)

ThinkTECH Accelerator Registration Open

Community bankers can now register to participate in the seventh ICBA ThinkTECH Accelerator program to meet with emerging fintech companies advancing community bank innovation. Scheduled for May 27-July 19, the next ThinkTECH Accelerator program will allow community bank teams to join 3.5-hour sessions with participating fintechs. The Accelerator program promotes growth-stage companies that serve or wish to serve community banks and their customers.

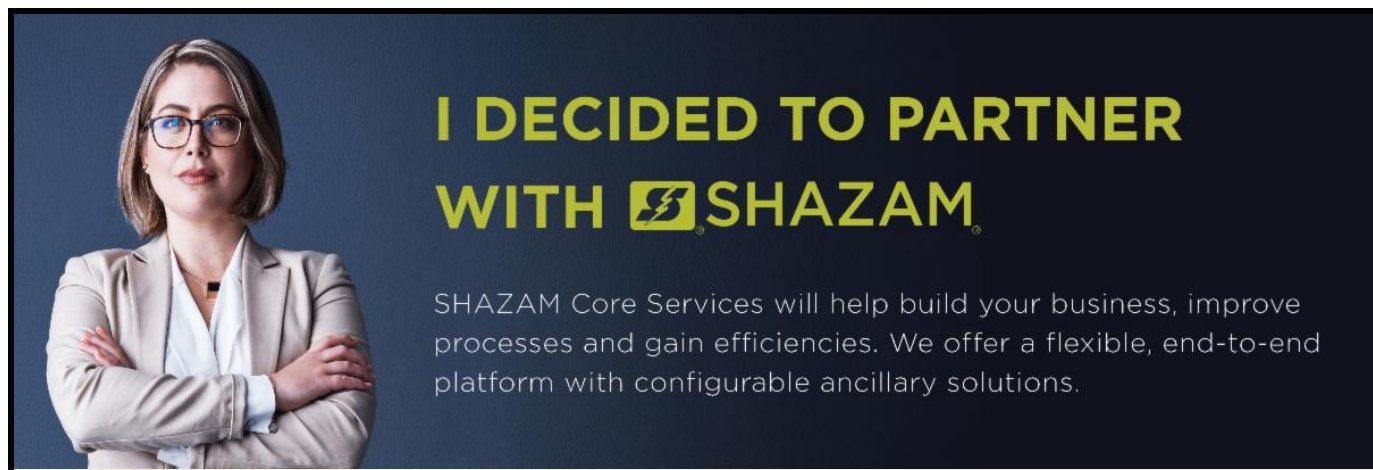
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ThinkTECH Alumni Showcase Tomorrow

ICBA is hosting a webinar tomorrow featuring demonstrations of the latest solutions from several ThinkTECH Accelerator alumni. Scheduled for 11 a.m. (Eastern time) Thursday, April 18, the ThinkTECH Alumni Showcase will feature bankers who have implemented alumni solutions in their institutions and how these companies continue to evolve to meet community bank needs. The webinar is complimentary for ICBA members and sponsored by Fiserv, Ncontracts, Wipfli, and TrueNorth.

[Register for the Webinar »](#)

[Order the Webinar Recording »](#)



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SHAZAM Core Services will help build your business, improve processes and gain efficiencies. We offer a flexible, end-to-end platform with configurable ancillary solutions.

New Risk Management Tools from FedNow® Service

The Federal Reserve will roll out two new fraud risk management features in 2024-25 to help FedNow® Service participants protect against threats. These new capabilities will complement community banks' own fraud risk management approaches and join the suite of fraud mitigation tools already available through the service.

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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 »](#)

Registration Open for Federal Reserve Bank of Chicago Inaugural Holding Company Symposium

The Federal Reserve Bank of Chicago's Supervision and Regulation (S&R) department is pleased to announce the 1st Annual Holding Company Symposium hosted by the Federal Reserve Bank of Chicago. The event will take place in-person on Wednesday, May 22, 2024. A remote option is available for those unable to attend onsite. This event will offer an opportunity for you and your colleagues to hear from S&R officers, expert speakers, and answer your questions on topical subjects.

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.

The Symposium will be a hybrid event, with live, in-person registration limited to 100 participants. Those who are unable to attend in person are encouraged to join us virtually. Executive officers and directors of Seventh District bank holding companies, banking trade associations and regulatory agencies. Please utilize the link below to register. Seating will be limited for in-person attendees. Registration closes Wednesday, May 15, 2024.

[Annual Holding Company Symposium »](#)



NEWS FROM SERVICES

Kasasa: The Enemy is Phantom Growth

Today's environment has forced financial institutions to face a new reality of dwindling deposits and an urgent need to strengthen liquidity. As a result, most are aggressively trying to retain and capture deposits and create stable balance sheets. Unfortunately, many of those efforts have created what's known as phantom growth – expensive deposits that don't last. In the webinar, you will learn why high-yield checking – and its unique Cost of Funds discount – is the best strategy to reduce fragility in a deposit portfolio and how community financial institutions are using high-yield checking and savings accounts to reduce Cost of Funds, build customer engagement, and create long-lasting relationships.

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Wolters Kluwer Launches Regulatory Change Management Tool for Community Banks

CBSC Preferred Provider Wolters Kluwer has launched **OneSumX® Reg Manager**, an AI-powered tool solution to help community banks enhance their regulatory change management efforts. The solution represents the latest addition to the Wolters Kluwer's OneSumX portfolio suite, a trusted product line designed to help financial institutions across the U.S. more effectively navigate regulatory change.

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ADVANTAGE, Powered by JMFA: Technology Roadmap: Top Considerations When Evaluating Critical Vendors Webinar

Navigating the intricate world of technology partnerships is pivotal for accelerating growth and delivering exceptional accountholder experiences. In this focused session, we uncover the top trends that are shaping the technological landscape and discuss how to align these with your bank's strategic priorities to stay ahead of the curve. Attendees learn the essential considerations for evaluating, sourcing and selecting the critical technologies that will drive their businesses forward. Scheduled for May 2, 2024, at 11 am. CT, this webinar provides a pivotal discussion to elevate your bank's



technology roadmap, putting you at the forefront of innovation and growth. Register now and prepare to transform your approach to vendor evaluation and technology strategy.

[Register Today »](#)

CBSC Preferred Providers



MORE UPCOMING EDUCATIONAL PROGRAMS

CBAI Offering Cybersecurity Threats, Trends & Proactive Strategies for Financial Institutions on May 7 in Springfield or Via On-Demand Recorded Session

CBAI is pleased to offer “Cybersecurity Threats, Trends, & Proactive Strategies for Financial Institutions” scheduled for May 7, 2024, at the CBAI Headquarters in Springfield or via on-demand recorded session. As financial institutions become more reliant on technology, it is important that they have a better understanding of their information systems to mitigate and monitor risks. Using basic concepts without using technical jargon, this presentation describes and demonstrates fundamental information-security strategies for protecting your information systems. Many of the security principles presented are described in the FFIEC IT Examination Handbook and various interagency guidelines. Mark Scholl, partner for Wipfli LLP, leads this program.

[Register Online »](#)

2024 Security Officer Workshop scheduled for May 8 in Springfield or Via On-Demand Recorded Session

CBAI is pleased to offer “2024 Security Officer Workshop – Evolving from Robbery to Active Threat Strategies for Your Bank” at the CBAI Headquarters in Springfield on May 8, 2024, or via on-demand recorded session. This full-day workshop is designed for bank security officers or those with responsibility for the physical security of the bank. It is a program consisting of concepts integral to developing a better understanding of a comprehensive and structured security program for your bank. The program involves active learning, with exercises and team projects to develop best practice discussions between bankers to provide concepts that can be implemented when the attendees return to the bank. Jim Rechel, president of The Rechel Group, Inc., Cincinnati, OH, leads this seminar.

[Register Online »](#)

ACH for Beginners to be held May 9 in Springfield or Via On-Demand Recorded Session

CBAI is pleased to offer “ACH for Beginners: Essentials, Common Issues, Acronyms & Timeframes” at the CBAI Headquarters in Springfield on May 9, 2024, or via on-demand recorded session. This program explains general ACH rules in a real-world, easy-to-understand approach. Attendees learn the essentials of understanding the ACH system and daily processing as well as steps for handling some common issues. Learn to talk the “lingo” with the best of them! This class strategically allocates its objectives into education on the receiving side (RDFI) followed by the origination side (ODFI). Andrew Morgenroth, manager with Wipfli’s Risk Advisory Services (RAS) team, leads this program.

[Register Online »](#)

Register NOW for Regulation Z University on May 14 - 15 in Springfield

CBAI is pleased to offer “Regulation Z University” at CBAI Headquarters in Springfield, on May 14-15, 2024. Every bank is faced with a bewildering array of ever-changing regulations. While all banks strive to stay compliant, the regulatory requirements can feel overwhelming. Most banks lack the time or resources to build elaborate compliance systems. The key issue is getting the right information at the right time in a cost-effective manner. Bill Elliott, CRCM, senior consultant and director of compliance education, Young & Associates, Inc., in Kent, Ohio, leads this seminar.

[Register Online »](#)

CBAI Educational Calendar

CBAI's ANNUAL CONVENTION & EXPO
September 19 - 21, 2024 • Springfield, IL

**Early-bird registration
now open!**

50th
Community Bankers Association
Anniversary
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