



Community Bankers
Association of Illinois®
One Mission. Community Banks.®

Connected to Community Banking!

CBAI E-Newsletter, sponsored by SHAZAM

July 28, 2021

IN THE NEWS

State CRA Rulemaking - Notice of Public Meetings

Illinois **Public Act 101-657** creates a state CRA program that is intended to mirror the federal CRA program. The Illinois Department of Financial and Professional Regulation (IDFPR) is hosting public meetings to gather information before proposing any rules and is inviting all interested parties to submit written comments. CBAI recently submitted a comment letter with IDFPR to share our community banking priorities for the implementation of the state CRA program and is committed to being engaged throughout this rulemaking process. The first two public meetings will be held at 9:30 a.m. on Friday, August 6 (state banks) and Thursday, August 26 (residential mortgage lenders and originators).

CBAI Comment Letter »

Proposed Rulemaking Outline »

More Information »

Purchase the Results of CBAI's 2021 Compensation Survey

The results of CBAI's 2021 Compensation Survey are now available. Administered by BalancedComp, the survey results are free to participants, thanks to sponsor IZALE Financial Group. Non-participants can purchase results for \$300 for CBAI members and \$500 for prospective members. If you are interested in purchasing the results, please contact **Bobbi Watson**.

Contact Megan at 217/529-2265 with questions!



Join CBAI for Regional Legislative Roundtables

The CBAI governmental relations team will be hosting legislators and community bankers at roundtable receptions on August 11 in Chicago, August 31 in Vandalia, and October 14 in Sparta.

These casual events are an opportunity for community bankers to interact directly with lawmakers and discuss the concerns of our industry. Anyone from the bank, from directors to tellers, are welcome and encouraged to attend. Drinks and appetizers will be provided. **There is no cost for CBAI members to attend.** These events are made possible by generous sponsorships from ICBA, CBSC, and IZALE Financial Group. For more information or to register, please contact **Jerry Peck** at 217/529-2265.

Eviction Moratorium Scheduled to End in August

The eviction moratorium is scheduled to end in August, with a gradual phaseout throughout the summer. On July 23, the Governor issued an Executive Order that allows eviction filings against covered persons to begin on August 1. The current prohibition on enforcement of eviction orders entered against covered persons will remain in place until August 31. Enforcement of eviction orders entered against covered persons will be allowed after August 31.

[Read More »](#)

August 13 is Deadline to Submit Nominations for CBAI Foundation Scholarships for Children and Grandchildren of Community Bankers

The CBAI Foundation for Community Banking is proud to present three annual \$4,000 scholarships endowed by: SHAZAM®, Kasasa and Community BancService Corporation. Eligible students are children and grandchildren of community bankers and students who work at our members' community banks. (These students are not eligible for the original Foundation essay contest scholarships). Your community bank can be eligible for all three with a tax-deductible contribution/pledge of at least \$2,500 to the Foundation. The presentation of these scholarships will be held at the Annual Recognition Program during CBAI's 47th Annual Convention in Chicago. If you would like to know how your bank can become eligible for these scholarships, please view the form below or contact Bobbi Watson. **Nominations must be received by Friday, August 13, 2021.**

[Download Form »](#)



**FHLBank
Chicago**

**Federal Home Loan Bank
of Chicago**

Visit www.fhlbc.com

Donate to the Community BancPac Live & Silent Auctions

We encourage you to think locally when deciding what items you will donate to the Community BancPac auction. There are great craftsmen, artists and retailers in your communities. The Community BancPac auction is a great way to support local businesses while showcasing what the amazing products your community makes to your fellow bankers. Some other great auction item ideas include sporting events, concert tickets, sports/autographed memorabilia, and nice alcohol/cigars.

If shopping is not your thing, you can still make a cash donation that will allow CBAI staff to purchase popular items for the auction and credit your financial institution for the item donation. This year, we are asking anyone that makes a cash donation to consider allowing your funds to be combined with other financial institutions to purchase higher-priced items. All financial institutions will be credited with the item donation they contributed to in the auction booklet and on the bid sheet. Please check the box on the donation form if you are willing to combine funds.

[Donate Now »](#)

White House Announces New Foreclosure Aid

With the federal foreclosure moratorium ending this Saturday, the Biden administration announced new loan modification options for homeowners with government-backed mortgages. The departments of Housing and Urban Development, Agriculture and Veterans Affairs will require or encourage mortgage servicers to offer borrowers new payment reduction options. The move more closely aligns the federal agencies with Fannie Mae and Freddie Mac protections, which allow borrowers to resume their pre-COVID monthly payment after deferring up to 18 months of missed mortgage payments into a non-interest-bearing balloon.

[Read More »](#)

ARRC Releases LIBOR Transition Best Practices

The Alternative Reference Rates Committee (ARRC) released loan conventions and use cases for how best to employ Secured Overnight Financing Rate term rates to successfully transition away from LIBOR. The release of best practices precedes a formal

recommendation of SOFR term rates, which the ARRC said would follow the July 26 move of interdealer trading conventions to SOFR. The ARRC separately endorsed the Commodity Futures Trading Commission's recommendation that conventions for cross-currency basis swaps move to each currency's risk-free rate as of Sept. 21, 2021.

[Read More »](#)

Introducing a New Education Program for CBAI members!

Train your team with this award-winning online training platform built for community bankers.

[LEARN MORE](#)



OCC Statement on Rescinding 2020 Community Reinvestment Act Rule

The Office of the Comptroller of the Currency (OCC) announced it will propose rescinding the Community Reinvestment Act (CRA) rule issued in May 2020 and is committed to working with the Federal Reserve (Board) and the Federal Deposit Insurance Corporation (FDIC) to put forward a joint rulemaking that strengthens and modernizes the CRA. This decision follows the completion of a review initiated by Acting Comptroller of the Currency Michael Hsu shortly after he took office.

[Read More »](#)

Treasury: Stablecoin Recommendations Coming Soon

Treasury Secretary Janet Yellen met with federal regulators to discuss stablecoins, which are cryptocurrencies designed to maintain a stable value relative to specified assets. According to Treasury, Yellen underscored the need to act quickly to ensure there is an appropriate U.S. regulatory framework in place. The President's Working Group on Financial Markets also issued a statement encouraging responsible payments innovation and stablecoin arrangements that comply with applicable U.S. legal, regulatory, and oversight requirements. Treasury said the group, which convened the meeting along with FDIC and OCC officials, expects to issue recommendations in the coming months.

[Read More »](#)

Atlanta Fed: Chip Shortage Could Affect Card Access

A new Federal Reserve Bank of Atlanta blog post warns that the global shortage of semiconductor chips could affect the supply of chip-enabled payment cards. In a new post, the Atlanta Fed's Douglas King writes that a 30 percent chip shortage would result in a shortfall of 126 million cards in the coming year. While virtual cards and mobile wallets would offset the shortfall, consumers with cards expiring in the coming year could nevertheless be affected.

[Read More »](#)



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.

FHFA Eliminates CBAI and ICBA-Opposed GSE Fee

CBAI and ICBA welcomed the Federal Housing Finance Agency's announcement that it will eliminate the opposed fee on refinance loans delivered to the government-sponsored enterprises. Effective for loans delivered on Aug. 1 or later, lenders will no longer be required to pay Fannie Mae and Freddie Mac the 50-basis-point Adverse Market Refinance Fee.

After introducing the fee to cover projected losses at the GSEs caused by pandemic-related renter and borrower protections, the FHFA delayed the fee to December 2020 and exempted smaller loans following an ICBA and CBAI grassroots and media campaign, including an American Banker op-ed. In its announcement Friday, the FHFA said the success of the GSEs' COVID-19 policies reduced the impact of the pandemic enough to warrant an early end of the fee.

[Read More »](#)

SBA Offers Guidance on PPP Purchase Process, Servicing Duties

SBA issued a new procedural notice to advise Paycheck Protection Program lenders of their servicing responsibilities and the purchase process to ensure a 100 percent guaranty on PPP loans.

Effective July 15, the existing PPP platform will:

- Be programmed to allow lenders to submit requests for guaranty purchase and charge-off for individual PPP loans.
- Make available Application Programming Interfaces using an automated method.
- Provide additional guidance, including step-by-step instructions.

Regarding servicing responsibilities, the notice says lenders:

- Must service PPP loans until they are fully forgiven, are paid in full, or the SBA purchases the guaranty and charges off any uncollectable remaining balance.
- Should work with the borrower to seek forgiveness at the end of the borrower's loan forgiveness covered period or to request guaranty purchase and charge-off in the event of a default.
- Must meet additional responsibilities, such as keeping an accurate record of each loan and submitting monthly SBA Form 1502 reports.

The Procedural Notice provides additional guidance on borrowers who file for bankruptcy, requesting guaranty purchase and charge-off, required certifications, and more.

[Read More »](#)

2021 Directory of Illinois Financial Institutions is Now Available

The 2021 Directory of Illinois Financial Institutions is now available! A complimentary directory was mailed out to all CBAI member banks. If you would like to purchase an additional copy, please visit www.cbaidirectoryonline.com.

CONNECT WITH CBSC PREFERRED PROVIDERS

Kasasa: "Where Do You Bank?" Doesn't Mean What It Used to

"Where do you bank?" While consumers often have a lot of different accounts at different places, this question is generally accepted as the litmus test to determine primary financial institution status from the consumer's perspective. But with advancements in financial technology, their financial lives are more complex and intertwined than ever. The answer to this question isn't as clear cut as it used to be. And the pandemic only accelerated the complexity by pushing people to get comfortable managing their money digitally.

The problem with that question is that it blurs the practical reality. It also hides the competitive threats that may be lurking in the form of neo-banks who are aggressively building relationships with these consumers, always seeking a greater share of their wallets. Recent research has shown that especially Generation Z and Millennials are capable of having relationships with a high number of financial service providers — lowering the probability that any one provider earns the coveted title of "primary." What can you do to earn their loyalty?

[Read More »](#)



Harland Clarke: Ten Questions to Ask Before Outsourcing Your Contact Center

There are many contact center suppliers that simply provide staffing. For such a vital touchpoint as the contact center, you should seek out a partner that can do more than answer calls. Choose a partner that can act as an extension of your team to execute your strategy the same as your own staff would. Use this checklist to help narrow the search.

[Read More »](#)

Ncontracts: The Future of Vendor Management: What the Proposed Federal Third-Party Guidance Means for Your Bank

It's been years in the making and now the Federal Reserve, Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) have finally proposed new vendor management guidance. What does the proposal say? What might it mean for your bank? The Proposed Interagency Guidance on Third-Party Relationships: Risk Management aims to unify the agencies' approach to vendor management. While the agencies use a consistent approach to vendor management in their guidance (including critical vendors, oversight, and the vendor management life cycle), they vary in the depth and the details.

[Read More »](#)

CBIS: "Phishing" Is Not Always a Fun Trip

Phishing attacks are on the rise and scammers are more sophisticated than ever. While protective controls can help defend against the majority of phony emails, they can't resist all phishing attacks. Knowing the common signs of phishing scams will assist your community bank employees, too. Common indicators and tactics of phishing can be surprisingly effective.

[Read More from CBIS »](#)

CBCS PREFERRED PROVIDERS

Compliance for New Lenders

August 17 - 18, 2021
CBAI, Springfield

By attending this valuable program, new lenders will gain knowledge about these regulatory compliance issues and how to properly comply with them.



Advanced Internal Auditing
August 23, 2021
CBAI, Springfield

Participate in the CBAI Foundation for Community Banking's 25th Anniversary Campaign!

In 2021, we are excited to celebrate the 25th anniversary of CBAI's Foundation for Community Banking. Established in 1996, the Foundation has bestowed an incredible \$550,000 in scholarships to deserving college-bound students since its inception. Additionally, more than \$70,000 has been awarded to CBAI member bankers to attend the Community Bankers School. The Foundation annually offers three types of scholarships, with more than \$40,000 allocated to students every year. A total of 31 annual scholarships are provided to high school seniors statewide through our essay contest, to the children and grandchildren of community bankers, and to Community Bankers School attendees.

We want to continue the success of the Foundation and ensure that we can maintain the 31 annual scholarships for many more years to come. In order to do that, we need your help. To celebrate the Foundation's silver anniversary, CBAI is spearheading a special "25 for 25" Campaign. There are several different ways you can choose to participate. **Contributions in any amount are greatly appreciated!** All banks, associate members and individuals donating to this campaign will be recognized in Banknotes magazine. **All donations are 100% tax deductible!**

[Read More »](#)

CBAI LEGAL: Federal Court Examines Legal Duty of Credit Bureau

A recent opinion from the U.S. Court of Appeals for the Seventh Circuit upheld the ruling of a lower court (i.e., federal District Court) concluding that credit reporting agencies are not obligated to make legal determinations about the legal validity of a reported debt.

[Read Most Recent CBAI LEGAL »](#)

MORE UPCOMING EDUCATIONAL PROGRAMS

CBAI's 47th Annual Convention Exposition Nearly Sold Out!

The Community Bankers Association of Illinois' 47th Annual Convention and Exposition provides an excellent marketing opportunity for exhibiting companies. The CBAI convention continues to be the strongest and largest venue to reach Illinois bankers. Designed for directors and senior officers of community banks throughout Illinois, the exposition is an important marketplace for suppliers of bank products and services. At press time, only three booths remain to sell out the jam-packed exhibit hall.

You don't want to miss this year's convention entitled, "We're Putting the Band Back Together!" For more information on exhibiting contact [Melinda McClelland](#) at 800/736-2224.

[See Exhibitor Brochure »](#)

[VIEW CBAI's EVENTS CALENDAR](#)



CBAI ENHANCED EMAIL SERVICES
Community Bankers Association of Illinois
powered by INTERMEDIA

Exchange Email is only the beginning...

The advertisement features a background image of a person's hands typing on a laptop keyboard while holding a transparent padlock. In the bottom left corner, there are three circular icons: a 2x2 grid of colored squares (orange, green, blue, yellow), a blue cloud with a white refresh symbol, and a blue cloud with a white envelope symbol.

