

March 2019

News for the Credit Union Champion

Credit unions grab legislative win Credit unions visit new Congressional offices

General Assembly Passes League Bill To Fight ADA Trolls

The decision came down to the wire and entailed many twists and turns, but eventually the General Assembly passed credit union legislation to give financial institutions facing challenges in Virginia's civil courts a 120-day period to cure alleged problems regarding web site compliance with the Americans with Disabilities Act.

The passage came on the second to last day of the session. The House passed HB 2296 on a 55-43 vote, with the Senate following with a vote of 37-3.

You can view the vote tallies in both chambers by scrolling to the bottom of the screen here:

<https://lis.virginia.gov/cgi-bin/legp604.exe?ses=191&typ=bil&val=HB2296&submit=GO>

Says League President Rick Pillow, "This was a huge win for credit unions. This was not an easy bill to get through the General Assembly because organizations representing the disabled voiced concern we were trying to water down the ADA. Because of the hard work of credit unions and the League, we were able to persuade enough lawmakers that this legislation would not hurt disabled people and would help businesses."

Credit unions had made the case for the bill during CU Day in January. Credit unions followed through with letters and calls.

Pillow also recognized the work of the League's external lobbying team from Hunton Andrews Kurth in bringing the bill over the finish line.

The legislation took some tough turns along the way, with an amendment in the Senate that kept the bill alive but gutted the cure period. A conference committee with members from both chambers cobbled together a version that retained the cure period and required financial institutions to follow the Web Content Accessibility Guidelines (WCAG) AA version until the Department of Justice issues standards.

The legislation provides the cure period should an action be filed in Virginia's civil courts. However, federal judges could use the state law to guide their decisions. The League filed the legislation because of out-of-state law firms sending demand letters to credit unions claiming ADA non-compliance.

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This bill may have been a first for credit unions in Virginia; Pillow said he could not remember a League bill going to conference committee previously.

CUNA Acts on Federal Level on ADA Concern

CUNA met with the new U.S. Attorney General, William Barr, to brief him on the need for the Department of Justice to develop guidelines on what constitutes web site compliance with the ADA. CUNA highlighted the toll the out- of-state lawsuits have on credit unions.

Credit Unions Meet in District Congressional Offices

February was a great month for credit unions to build relationships with freshmen lawmakers with meetings in district offices.

Representatives from ValleyStar and Beacon credit unions met with Rep. Denver Riggleman (R-5) in his Danville district office during President's Day Congressional recess.

Representatives from Henrico FCU, RVA Financial and Virginia Credit Union met with the Richmond district staff of another freshman lawmaker, Rep. Abigail Spanberger (D-7).

Park View and DuPont Community met with the staff of Rep. Ben Cline (R-6) in Staunton.

In the meetings, credit unions talked about regulatory burden and merchant data breach expenses as well as how credit unions earn their federal corporate income tax exemption through the CU Difference.

While Virginia credit unions were talking to Congressional staff about data security concerns, CUNA was sending letters to each of the 535 members of the U.S. House and Senate citing the same concerns.

What Our Congressmen Are Doing

Rep. Denver Riggleman (R-5) has jumped into his role as a member of House Financial Services by introducing a regulatory relief bill, H.R. 1039, to streamline requirements for SAR/CTR reporting.

This bill requires the Secretary of the Treasury to review SAR/CTR (Suspicious Activity Report and Currency Transaction Report) requirements and propose changes that help law enforcement and financial institutions combat money laundering and create a more efficient compliance system.

Riggleman said he personally understands regulatory burden. He said he entered politics because of the heavy regulations surrounding his past businesses, especially his latest venture of opening a small distillery in Nelson County with his wife.

Rep. Jennifer Wexton (D-10), who also sits on Financial Services, reports that she and Riggleman introduced a bipartisan bill, the FinCEN Improvement Act of 2019. The legislation would amend the duties of the Financial Crimes Enforcement Network (FinCEN) to ensure FinCEN works with tribal law enforcement agencies, protects against all forms of terrorism, and focuses on virtual currencies.

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Sen. Mark Warner (D-VA) has introduced legislation requiring public companies to disclose whether they have a cyber security expert on their Board of Directors, and if not, what steps have been taken to secure data.

Warner and Sen. Tim Kaine (D-VA) co-signed a letter sent to the CFPB asking the bureau to continue checking compliance with the Military Lending Act during routine exams.

In other news, two Virginians have been tapped to sit on the new Select Committee on the Climate Crisis. They are Reps. Don McEachin (D-4) and Morgan Griffith (R-9).

Several of the Democratic delegation members have secured leadership roles in caucus task forces.

Reps. Don Beyer (D-8) and Elaine Luria (D-2) will co-chair the subcommittee reviewing climate change.

Rep. Abigail Spanberger (D-7) will share leadership on the task force overseeing national security.

Credit Unions Are Off To the GAC March 10-13

Nearly 100 Virginians will be part of the national Governmental Affairs Conference hosted by CUNA in Washington, D.C.

Besides the conference itself, attendees will participate in a March 11 evening reception at CUNA's CU House and a series of meetings with lawmakers and banking aides on March 13.

Anyone not attending the GAC but wishing to attend the League reception on March 11 should contact cbaldwin@vacul.org by Thursday COB.

If you wish to participate in Hike the Hill but are not at the GAC, contact ksherbin@vacul.org.

You can see CUNA's legislative briefing book here: [CUNA GAC 2019 Legislative Agenda](#)

ICBA Releases Its Legislative Agenda For Congress

Much of the community bankers' agenda echoes the priorities for credit unions. But true to form, the bankers cannot resist once again targeting credit unions in this bullet point:

- **More Competitive Landscape:** Promoting a fair playing field between current providers of financial services, such as community banks, and new entrants in the marketplace while scrutinizing the taxpayer-subsidized advantages enjoyed by tax-exempt credit unions and Farm Credit System lenders.

Coming and Goings from the General Assembly

Democrats recaptured a Northern Virginia seat in the House of Delegates as Ibraheem Samirah won a special election for the seat formerly held by Jennifer Boysko, now a state senator. The seat had been vacant for most of the General Assembly session.

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Del. Steve Landes (R-Weyers Cave) announced he is not seeking re-election, running instead for the post of clerk of the circuit court in Augusta County.

Sen. Bill Carrico (R-Smyth County) said he is not seeking re-election. Del. Todd Pillion (R-Abingdon) announced he is running for the Senate seat Carrico is vacating.

Credit Unions Reach VACUPAC Milestones!

A big thank you to the folks at BayPort and Entrust Financial for their contributions to VACUPAC.

- BayPort CU has reached 100% of its 2019 VACUPAC goal
- Entrust Financial CU has reached 69% of its goal.

VACUPAC is the only political action committee representing credit unions on the state level, which is extremely important this year since all seats in the General Assembly are up for election. A portion of eligible VACUPAC funds are forwarded to CULAC to support credit union allies in Congress.

This year the League sent each credit union individual VACUPAC goals instead of chapter goals. There are tiered levels of recognition:

Bronze Medal Recognition:	50% of Goal
Silver Medal Recognition:	75% of Goal
Gold Medal Recognition:	100% of Goal
Platinum Medal Recognition:	150% of Goal
Diamond Medal Recognition:	200% of Goal

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Region 1:	\$11,547
Region 2:	\$7,681
Region 3:	\$1,051
Region 4:	\$105

Total: \$20,399.