



FINANCIAL INSTITUTIONS TODAY

News and topics of interest to financial institutions regulated by the Department of Banking and Finance

December 2023

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Check Fraud Survey Results

The Department has compiled the check fraud survey results with data gathered through December 8, 2023, using financial information as of year-to-date September 30, 2023. The survey data was provided by 79 Georgia financial institutions who generously gave their time and insightful feedback. The survey was developed, distributed, and gathered through partnership with the Georgia Department of Banking and Finance (Department), Georgia Bankers Association (GBA), Community Bankers Association of Georgia (CBA), and League of Southeastern Credit Unions (LSCU). The goal of this survey is to begin to gather data to understand the financial and operational impact of check fraud in order to support efforts to evaluate and pursue possible multi-faceted solutions to effectively combat this escalating issue.

The analysis of the survey data has been anonymized and presented as aggregated data from all respondents, as well as separated into peer asset size groups. Overall survey results can be accessed [here](#). If you would like additional analysis of the data collected, please reach out to the Department to evaluate ways to obtain additional information without directly correlating to any specific financial institution. To contact the Department with any questions, further conversation, or additional requests, please reach out to Deputy Commissioner for Supervision Melissa Sneed at msneed@dbf.state.ga.us or Director for Supervision Kevin Vaughn at kvaughn@dbf.state.ga.us. The Department sincerely appreciates the many individuals who expended time and effort on this project.

FinCEN Issues Final Rule on Access to Beneficial Ownership Information

The U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued a final rule that establishes the framework for access to and protection of beneficial ownership information (BOI). BOI will provide essential information to the law enforcement, intelligence, and national security professionals working to protect U.S. economic and national security. Financial institutions will also have access under certain circumstances.

FinCEN has issued two interagency statements to give banks and non-bank financial institutions guidance on the interplay between the final rule and FinCEN's existing Customer Due Diligence Rule.

The interagency statement for banks and non-bank financial institutions can be found [here](#). Additional resources on BOI and the FinCEN final rule can be found [here](#).

FDIC Issues Advisory on Managing Commercial Real Estate

The Federal Deposit Insurance Corporation (FDIC) has issued an advisory to reemphasize the importance of strong capital, appropriate credit loss allowance levels, and robust credit risk-management practices for institutions with commercial real estate (CRE) concentrations. The advisory also conveys several key risk management practices for institutions to consider in managing CRE loan concentrations in the current challenging economic environment. The key risk factors include:

- Maintain strong capital levels;
- Ensure that credit loss allowances are appropriate;
- Manage construction and development (C&D) and CRE loan portfolios closely;
- Maintain updated financial and analytical information;
- Bolster the loan workout infrastructure; and
- Maintain adequate liquidity and diverse funding sources.

Additionally, the advisory reemphasizes the importance of effectively managing liquidity and funding risks, which can compound lending risks, particularly for CRE-concentrated institutions. The advisory replaces the 2008 advisory: Managing Commercial Real Estate Concentrations in a Challenging Environment (issued March 17, 2008). For the full advisory, please click [here](#).

NCUA Reinstating Civil Money Penalties for 5300 Call Report Late Filing

On January 1, 2024, the National Credit Union Administration (NCUA) reinstated assessing civil money penalties for credit unions failing to submit the NCUA Form 5300 Call Report in a timely manner. The program was suspended after the December 2019 cycle due to the COVID-19 pandemic. The December 2023 Call Report will be the first Call Report cycle impacted.

Late-filer penalties are based on calendar—not business—days. The CUOnline system is available 24 hours a day, 7 days a week, to submit the Call Report. To help credit unions avoid penalties, the NCUA reminds credit unions with outstanding Call Reports via email one week before the due date. If, after attempting submission, you receive a reminder email, please:

- Log in to CUOnline as soon as possible;
- Re-submit your Call Report; and
- Look for a confirmation email from the NCUA.

For more information on filing Call Reports, please refer to the [CUOnline](#) section of NCUA's website. For technical support, contact the NCUA OneStop Help Desk at (800) 827-3255 or OneStop@ncua.gov.

Speaking Engagements

Commissioner Kevin Hagler will be speaking at the Georgia Bankers Association Legislative and Economic Forum on January 24, 2024. For more information on the Forum, please visit [here](#).

Commissioner Kevin Hagler, Senior Deputy Commissioner Bo Fears, and Deputy Commissioner for Supervision Melissa Sneed will be speaking at the League of Southeastern Credit Unions and Affiliates Georgia Advocacy Conference. The Conference will be held January 30 – January 31, 2024. Additional information on the Conference and registration can be found [here](#).

Deputy Commissioner for Supervision Melissa Sneed will be speaking at Georgia Bankers Association Bank Secrecy Act Summit on February 1, 2023. The GBA BSA Summit 2024 will be held January 29 – February 1, 2024. For more information on the Summit and registration details, please visit [here](#).

ACTION ON APPLICATIONS FOR THE MONTH

The following is a summary of official action taken by the Department on certain applications by Georgia state-chartered financial institutions, petitions for certificate of incorporation of financial institutions, and other matters of recent interest:

APPLICATIONS TO ESTABLISH A BRANCH OFFICE

<u>FINANCIAL INSTITUTION</u>	<u>BRANCH OFFICE</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
Georgia United Credit Union Duluth, Georgia	5562 Peachtree Industrial Blvd Chamblee, Georgia 30341	11/16/2023	12/04/2023
North Georgia Credit Union Toccoa, Georgia	695 Big A Road Toccoa, Georgia 30577	12/11/2023	
Atlanta Postal Credit Union Atlanta, Georgia	9130 Highway 278 NE Covington, Georgia 30014	12/18/2023	
VyStar Credit Union Jacksonville, Florida	4575 S. Cobb Drive Smyrna, Georgia 30080	12/20/2023	
VyStar Credit Union Jacksonville, Florida	3838 Johns Creek Pkwy Suwanee, Georgia 30024	11/06/2023	12/18/2023
The Wright Credit Union Toccoa, Georgia	5809 West Avenue Lavonia, Georgia 30553	12/11/2023	
Wheeler County State Bank Alamo, Georgia	117 Roger Shaw Street Swainsboro, Georgia 30401	12/21/2023	
Bank of Newington Newington, Georgia	5919 South Highway 21 Rincon, Georgia 30401	12/21/2023	

APPLICATIONS TO CHANGE LOCATIONS

<u>FINANCIAL INSTITUTION</u>	<u>CHANGE LOCATION OF</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
Atlanta Postal Credit Union Atlanta, GA	From: 515 Mulberry Street Macon, GA 31201 To: 4040 Vineville Avenue Macon, GA 31210	10/10/2023	12/18/2023

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The Department is the state agency that regulates and examines Georgia state-chartered banks, state-chartered credit unions, state-chartered trust companies, international banking organizations, and bank holding companies that own Georgia state-chartered financial institutions. The Department also has responsibility for the supervision, regulation, and examination of merchant acquirer limited purpose banks chartered in Georgia.

In addition, the Department has regulatory and/or licensing authority over mortgage brokers, lenders and processors, mortgage loan originators, consumer installment loan companies, check cashers, sellers-issuers of payment instruments, and money transmitters.

Our Mission is to promote safe, sound, competitive financial services in Georgia through innovative, responsive regulation and supervision.