Virtual Town Hall
Solutions & Support: Pandemic Guidance for Credit Unions
MODERATOR:

- John Bratsakis
  President / CEO
  MD|DC Credit Union Association
AGENDA

• Welcome Comments – John Bratsakis, MD|DC CUA
• Federal Update - Senator Chris Van Hollen – Comments
• Regulatory Update
  • NCUA
  • Maryland Commissioner of Financial Regulation
  • D.C. Dept. of Insurance, Securities and Banking (DISB)
• Legal Update – John Bredehoft – Kaufman & Canoles, LLP
• Risk Management – CUNA Mutual Group
• Q & A
WELCOME

- Overwhelming response – over 200 people
- Please only mute phone, Do Not Place on Hold
  - Helps ensure the group won’t sing along to your on hold music
- Please use Chat section for questions of presenters
- Update on Maryland restrictions
- Update on Maryland Lay-off Aversion Fund
- Essential employee exemption letter example
SUPPORT & SOLUTIONS: PANDEMIC GUIDANCE FOR CREDIT UNIONS

• US Senator Chris Van Hollen – Maryland
REGULATORY UPDATE

NCUA

Maryland Department of Financial Regulation

D.C. Department of Insurance, Securities and Banking (DISB)
REGULATORY UPDATE – NCUA

- John Kutchey
  Regional Director, Eastern Division
  National Credit Union Association
REGULATORY UPDATE – NCUA

• Annual Meeting Guidance

• Upcoming Exam related considerations:
  • Suspension or delay for a set period of time?
  • Consideration of remote exams?

• Business Operations
  • Limited in-person operations & adjustments in hours
  • Can CU’s with limited, or no access to branches, use electronic and phone access only?
Tony Salazar
Commissioner of Financial Regulation
MD Department of Labor, Office of the Commissioner Financial Regulation
REGULATORY UPDATE - DISB

• Brian Williams
  Associate Commissioner
  Banking Bureau, DC Department
  of Insurance, Securities and
  Banking (DISB)
LEGAL UPDATE

• John Bredehoft – Attorney
  Kaufman & Canoles, P.C.
OVERVIEW OF TOPICS:

• New federal Emergency Paid Sick Leave (effective 4/2/2020)
• Amendments to federal Family and Medical Leave Act (4/2/2020)
• What can I ask / say / do to keep my employees and members safe?
• Should my employees come to work?
EMERGENCY PAID SICK LEAVE

• Applies to all employers regardless of number of employees
• A new benefit of two weeks (80 hours) leave
• Paid by the employer
• Employer receives tax credit
• Broad categories of eligibility
EMERGENCY PAID SICK LEAVE

1. The employee is subject to a **formal** state, federal, or local quarantine or isolation order;

2. The employee has been advised by a **health care provider to quarantine**;

3. The employee is experiencing **symptoms** of COVID-19 and is **seeking a medical diagnosis**;

4. The employee is **caring** for someone subject to a formal quarantine or isolation order or someone who has been advised to quarantine by a health-care provider;

5. The employee is **caring for a minor son or daughter** who is at home due to a school or daycare closure; or

6. The employee is suffering from an **“substantially similar condition”** designated by the Secretary of HHS.
EMERGENCY PAID SICK LEAVE

• Does not cover:
  • Employees who are frightened to come to work
  • Employees who are “self-quarantined” by order of their employer
  • Employees who have just returned from some exotic “hot spot” – like New Rochelle, NY
FMLA EXPANSION

• Applies to all employers (not just those with more than fifty employees)

• Is employer-paid (other FMLA leave is not paid); first two weeks can be unpaid or employee can use existing leave, employee choice; tax credit reimburses employer

• Only for child care for minor son or daughter who is unable to go to school or child care due to COVID-19 restrictions
POSSIBLE CHANGES TO LEAVE?

• The new law directs the federal Department of Labor to make rules to exclude companies with under fifty employees from both forms of the new leave entitlements, if the leave would “jeopardize the viability of the business as a going concern.”

• DOL, the IRS, and Social Security have been working to get the new rules and forms in place.
WHAT CAN I ASK MY EMPLOYEES?

• Can I take employee’s temperature?
• Can I inquire about fever, cough, resp.?
• Can I send sick employees home?
• Can I ask returning travelers to stay home?
• Can I require telework for those who can?
• Can I require sanitary practices?
• Can I require applicants to test negative?
• Can I withdraw a job offer if test positive?
WHAT CAN I ASK MY EMPLOYEES?

• The answer to each of the preceding questions is, “YES!”

• EEOC Guidance, revised March 19, 2020

• OSHA General Duty Clause Guidance on COVID-19: “Prompt identification and isolation of potentially infectious individuals is a critical step in protecting workers, customers, visitors, and others at a worksite.”
DO NOT ASK EMPLOYEES:

- “Do you have an underlying condition that could increase your vulnerability to COVID-19, such as uncontrolled diabetes, asthma, or a compromised immune system?”

- “Hey, you look Asian! Are you Chinese?”
SUPPORT & SOLUTIONS: PANDEMIC GUIDANCE FOR CREDIT UNIONS

• Chris Gill
  Manager, Risk Management
  CUNA Mutual Group
SUPPORT & SOLUTIONS: PANDEMIC GUIDANCE FOR CREDIT UNIONS

• Kurt Werner
  Director, Business Protection Underwriting
  CUNA Mutual Group
What are the top-of-mind risks?

- Workplace policies & hygiene
- Remote / flexible work arrangements
- Children in the workplace
- Cybersecurity & scams
- Cash storage & transportation
- Branch closings / limited lobby access
Remote Work Best Practices

• **Ensure Data Protection**
  Privacy and security of your member and credit union information should be a top priority.

  If using personal mobile and desktop devices, identify minimum standards of security to access credit union networks

• **Avoid FLSA Violations**
  Monitoring and tracking the number of hours they are working outside of the office – especially those who aren’t salaried and are non-exempt

• **Provide a Safe Work Environment**
  Employee health and safety should remain a top priority – ensure the environment would be suitable for getting the job done without posing undue risks

• **Define Availability, Responsiveness & Productivity**
  Provide clear and consistent communication to ensure employees can and do stay on task remotely
Children in the Workplace

Employment, safety & legal issues and risks to consider:

- Security / safety
- Liability
- Job performance and productivity of employees
- Discrimination
- Negative reputation

Discuss with legal counsel, including identification of any state or local health-related laws

Communicate a written, board-approved policy with detailed procedures to be followed by employees and volunteers
Cybersecurity & Scams

• Fraudsters have launched Coronavirus-themed phishing attacks to deliver malware – typically credential-stealing banking Trojans

• Phishing emails purport to be from the Centers for Disease Control and the World Health Organization

• Fake websites exploit Johns Hopkins University’s interactive Coronavirus dashboard to spread malware Trojans

• Coronavirus advice-themed phishing emails purporting to provide advice on how to protect against the virus

• Workplace policy-themed phishing emails about Coronavirus targeting an organization’s employees
Emerging Risks

Cash Storage & Transportation

- If closing a branch, deplete cash-on-hand if possible
- Follow appropriate cash transportation, storage, and vault / ATM guidelines, specifications and security requirements
- Increases to On Premises limit can be considered so long as your vault specifications meet the requirements for the coverage limit being requested
Branch Closings & Limited Lobby Access

- Communicate changed office hours, closings, and alternate locations to membership through signage, websites, and social media
- Deplete cash-on-hand if possible
- Encourage more frequent and thorough cleaning for high-touch areas such as teller counters, bathrooms, doors/door handles, railings, and member stations
- Property and Extra Expense coverages require a direct physical loss or damage from a covered cause of loss. Unfortunately, an office closure or temporary relocation due to COVID-19 would not meet that requirement
ASSOCIATION RESOURCES

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- **Website:**
  - **Credit Union Resource Page:**
  - **League Infosight**
    - [https://mddc.leagueinfosight.com/](https://mddc.leagueinfosight.com/)
  - **Consumer Resource Page:**
SPEAKER CONTACT INFORMATION

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