

MICHAEL BEST STRATEGIES COVID-19 TRACKER

Federal and State Financial Services- and Housing Industry-Related Initiatives

MARCH 24, 2020

WORKING DRAFT

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The Michael Best Strategies COVID-19 Tracker document is not intended as legal advice to any person or firm. The information contained herein is drawn from various public sources, including other publications. This is a working draft that is updated on an ongoing basis.

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ENTITY	DESCRIPTION
White House	<p>On March 23, the White House announced the launch of the COVID-19 High Performance Computing Consortium to provide COVID-19 researchers worldwide with access to the world’s most powerful high performance computing resources that can significantly advance the pace of scientific discovery in the fight to stop the virus. This public-private consortium, spearheaded by the White House, Department of Energy, and IBM, includes government, industry, and academic leaders who have volunteered free compute time and resources on their machines.</p> <p>On March 20, the Trump administration reached mutual agreements with Canada and Mexico to restrict non-essential travel across the United States’ southern and northern borders. The United States will expeditiously return aliens who cross between ports of entry or are otherwise not allowed to enter the country, as the facilities in which these aliens would normally be held cannot support quarantine for the time needed to assess potential cases.</p> <ul style="list-style-type: none"> • These aliens are processed in stations designed for short-term processing where distancing is not a viable option, and creating a serious danger of an outbreak. • The Centers for Disease Control and Prevention (CDC) has determined that these conditions present a serious infection control challenge and are a risk to public health. • Should an outbreak occur at these facilities, local medical facilities would be forced to devote extensive resources and may become overwhelmed. • This action will also protect the health of our country’s dedicated border agents and other law enforcement personnel, who are vital to the security of our Nation. <p>Trade and business travel will continue to operate across our borders, ensuring workers and goods are not impeded. Border restrictions go into effect at midnight March 21 and</p>

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	<p>will be reviewed after 30 days.</p> <p>The State Department is moving toward a “Level 4 Global Travel Advisory,” recommending U.S. citizens avoid all international travel and anyone abroad should return home immediately, according to Secretary of State Pompeo.</p> <p>On March 18, President Trump announced the temporary closure of the U.S.-Canada border to non-essential traffic. The president also announced plans to invoke the Defense Production Act in order to increase the number of necessary supplies needed to combat coronavirus. FEMA has been activated in every region at its highest level of response. The U.S. Navy will deploy USNS Comfort and USNS Mercy hospital ships. All foreclosures and evictions will be suspended for a period of time.</p> <p>On March 18, Health and Human Services temporarily suspended a regulation that prevents doctors from practicing across state lines.</p> <p>On March 17, the Department of Defense announced it will make available to HHS up to five million respirator masks and 2,000 ventilators.</p> <p>On March 17, The Treasury Department contributed \$10 billion through the economic stabilization fund to the Federal Reserve’s commercial paper funding facility. The agency also deferred \$300 billion in tax payments for 90 days without penalty, up to \$1 million for individuals & \$10 million for business.</p> <p>On March 17, Secretary of Agriculture Sonny Perdue announced a partnership between USDA, Baylor University, McLane Global, and Pepsi Co. to provide one million meals per week to rural children in response to widespread school closures.</p> <p>On March 17, President Trump announced that CMS will expand telehealth benefits for Medicare beneficiaries and Relevant Health Insurance Portability and Accountability</p>

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	<p>Act penalties will not be enforced. He also placed the Army Corps of Engineers is on “standby” to assist federal & state governments.</p> <p>On March 13, President Trump declared a national emergency in order to access \$42 billion in existing funds to combat the coronavirus.</p> <p>On March 13, the Trump administration announced a public-private partnership with Walgreens, Walmart, Target, Becton Dickinson, Roche Diagnostics, Quest Diagnostics, CVS, LHC Group, and LabCorp to provide Americans access to drive-up coronavirus tests.</p> <p>On March 11, President Trump announced travel restrictions on foreigners who had visited Europe in the last 14 days. He directed the SBA to issue low-interest loans to affected small businesses and called on Congress to increase this fund by \$50 billion. The president also directed the Treasury Department to defer tax payments for affected individuals & businesses, and provide \$200 billion in “additional liquidity.”</p> <p>On March 10, President Trump and VP Pence met with top health insurance companies and secured a commitment to waive co-pays for coronavirus testing.</p> <p>On March 6, President Trump signed an \$8.3 billion bill to fight the coronavirus outbreak.</p> <p>On February 29, the Trump administration announced a level 4 travel advisory to areas of Italy and South Korea; barred all travel to Iran, and barred the entry of foreign citizens who visited Iran in the last 14 days.</p> <p>On February 24, the Trump Administration sent a letter to Congress requesting at least \$2.5 billion to help combat the spread of the coronavirus.</p>

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	<p>On January 31, the Trump Administration declared the coronavirus a public health emergency; announced Chinese travel restrictions; and suspended entry into the United States for foreign nationals who pose a risk of transmitting the coronavirus.</p>
Congress	
	<p>On March 24, House Speaker Nancy Pelosi (D-CA) said the House could accept the Senate bill and likely pass it quickly by unanimous consent, if the Senate and House negotiators are able to iron out differences over the need for greater transparency and oversight of the \$500 billion allotment to major industries. Pelosi warned that she's ready to call the House back to Washington to move the House Democrats' alternative proposal, if her caucus deems the Senate bill too favorable toward corporations and neglects workers and lower-income families</p> <p>On March 23, House Speaker Nancy Pelosi (D-CA) released a draft of The Take Responsibility for Workers and Families Act, along with a summary of the Act's provisions.</p> <p>On March 19, Majority Leader Mitch McConnell (R-KY) unveiled, S. 3548 Coronavirus Aid, Relief, and Economic Security Act (CARES Act), to provide four basic pillars of assistance:</p> <p>1. Direct financial help for the American people</p> <p>Individual tax rebates of up to \$1,200 per individual, \$2,400 per couple, and \$500 per qualified child would be paid to individuals and couples making less than \$75,000 and \$150,000, respectively.</p> <p>Federal student loan payments, including interest, would automatically be suspended for at least three months.</p> <p>2. Rapid relief for small businesses and their employees</p>

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	<p>Small businesses: \$300 billion of loans, which would not have to be paid back if the companies maintain their payrolls during the emergency. The provisions are retroactive to March 1st to encourage businesses to rehire workers.</p> <p>Under the proposal, small businesses eligible for the SBA Section 7(a) loans with 500 or fewer employees, could use the loans to fund, such things as (i) paid sick, medical, or family leave; (ii) group health care benefits; (iii) employee salaries; (iv) mortgage payments; and (v) utilities. In addition, the proposal provides for loan deferment for a year and loan forgiveness for loans used to cover payroll expenses.</p> <p>3. Significant steps to stabilize our economy and protect jobs</p> <p>\$258 billion in funding for loans and loan guarantees to distressed industries, including a carve out of \$50 billion for passenger airlines and \$8 billion for cargo airlines. The aviation industry is also provided a temporary relief from the aviation fuel excise tax and the airline ticket excise tax.</p> <p>Social Security taxes would be on pause for employers for the rest of the year, but would payable in 2021 and 2022.</p> <p>Business tax provisions include a delay in the payment of estimated income and payroll taxes, a five-year net operating loss carryback, an increase in the interest expense deduction from 30% to 50% of interest expense for 2019 and 2020, and faster access to alternative minimum tax credits.</p> <p>The payroll tax deferment would make 2020 payroll taxes due one half in 2021 and one half in 2022, perhaps not the payroll tax holiday that Trump asked for but still substantial near-term relief.</p> <p>A fix for pass-through businesses allows them to benefit from NOL carrybacks as well. A technical amendment for qualified investment property (QIP) fixes the so-called retail glitch in the Tax Cuts and Jobs Act of 2018.</p>

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	<p>Treasury Department would be temporarily allowed to guarantee money market mutual funds using its Exchange Stabilization Fund.</p> <p>4. Additional support for healthcare professionals and patients who are fighting the coronavirus.</p> <p>Provisions include providing (i) temporary relief for hospitals from Medicare cuts; (ii) \$1.3 billion of funding to community health centers; (iii) permission for labs to develop emergency tests; (iv) increased Medicare payments for treatment of patients with COVID-19; and (v) requirement that health insurers cover the costs of potential vaccines without cost-sharing.</p> <p>The total cost estimate for the CARES Act is now over \$2 trillion.</p> <p>In a March 20 letter to colleagues, House Speaker Nancy Pelosi wrote: “Senator McConnell’s ...third coronavirus response package... [a]s written, it is a non-starter.” The bill must rebuild the national health care system on a national basis and “test, test, test,” argued Pelosi. “At the same time, we must tighten the safety net in America, which is sadly and seriously frayed. Any response package must greatly increase Unemployment Insurance and Medicaid, help small businesses survive, expand paid sick and family leave and put money directly into the hands of those who need it most.”</p> <p>On March 18, Senate passed the Families First Coronavirus Response Act (H.R. 6201), which focuses on the economic toll of COVID-19. Key provisions of the bill include provisions for:</p> <ul style="list-style-type: none"> • Making free testing for the coronavirus available to the public;

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	<ul style="list-style-type: none"> • Reimbursements for testing costs, including \$1 billion to the National Disaster Medical System, \$60 million to the VA, and \$64 million to the Indian Health Service; Temporary 6.2% increase in federal payments to Medicaid to the states; • Establishes federal emergency paid sick leave benefits for some employees and employer tax credits to offset costs of paid emergency leave; • Boosts unemployment benefits and provides nearly \$1 billion in state grants to cover payment of unemployment insurance; and • Nearly \$1 billion of funding for nutritional and agricultural programs for those without food security. <p>On March 5, the Senate passed the Coronavirus Preparedness and Response Supplemental Appropriations Act (H.R. 6074), an \$8.3 billion emergency funding plan to combat the spread of COVID19. The plan includes:</p> <ul style="list-style-type: none"> • More than \$3 billion dedicated to the research and development of vaccines, as well as therapeutics and diagnostics; • 2.2 billion in public health funding to aid in prevention, preparedness and response efforts — including \$950 million to support state and local agencies; • Nearly \$1 billion to go toward medical supplies, health-care preparedness, Community Health Centers and medical surge capacity, • \$1.25 billion to address the coronavirus overseas; • \$500 million for Medicare to spend on telehealth programs for the COVID-19. • “Unlocks” up to \$7 billion in low interest loans to small businesses affected by the outbreak.
Federal Financial Regulators	

ENTITY	DESCRIPTION
<p>Federal Reserve</p>	<p>On March 23, the Federal Reserve announced it is using a full range of tools to support households, businesses and the U.S. economy during this challenging time, including:</p> <ul style="list-style-type: none"> • Support for critical market functioning. The Federal Open Market Committee (FOMC) will purchase Treasury securities and agency mortgage-backed securities in the amounts needed to support smooth market functioning and effective transmission of monetary policy to broader financial conditions and the economy. The FOMC had previously announced it would purchase at least \$500 billion of Treasury securities and at least \$200 billion of mortgage-backed securities. In addition, the FOMC will include purchases of agency commercial mortgage-backed securities in its agency mortgage-backed security purchases. • Supporting the flow of credit to employers, consumers, and businesses by establishing new programs that, taken together, will provide up to \$300 billion in new financing. The Department of the Treasury, using the Exchange Stabilization Fund (ESF), will provide \$30 billion in equity to these facilities. • Establishment of two facilities to support credit to large employers—the Primary Market Corporate Credit Facility (PMCCF) for new bond and loan issuance and the Secondary Market Corporate Credit Facility (SMCCF) to provide liquidity for outstanding corporate bonds. • Establishment of a third facility, the Term Asset-Backed Securities Loan Facility (TALF), to support the flow of credit to consumers and businesses. The TALF will enable the issuance of asset-backed securities (ABS) backed by student loans, auto loans, credit card loans, loans guaranteed by the Small Business Administration (SBA), and certain other assets. • Facilitating the flow of credit to municipalities by expanding the Money Market Mutual Fund Liquidity Facility (MMLF) to include a wider range of securities, including municipal variable rate demand notes (VRDNs) and bank certificates

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	<p>of deposit.</p> <ul style="list-style-type: none"> Facilitating the flow of credit to municipalities by expanding the Commercial Paper Funding Facility (CPFF) to include high-quality, tax-exempt commercial paper as eligible securities. In addition, the pricing of the facility has been reduced. <p>Term Sheet Links: Primary Market Corporate Credit Facility; Secondary Market Corporate Credit Facility; Term Asset-Backed Securities Loan Facility; Money Market Mutual Fund Liquidity Facility; and Commercial Paper Funding Facility</p> <p>On March 22, the federal financial institution regulatory agencies and state banking regulators issued an interagency statement to encourage financial institutions to work constructively with borrowers affected by COVID-19 through loan modifications. Regulators will view the modifications as positive and proactive actions that lead to improved loan performance and reduced credit risk.</p> <p>In a March 20 email regarding its daily repo operations, the Federal Reserve of New York wrote it “will conduct additional overnight repurchase agreement (repo) operations for same-day settlement each afternoon from 1:30 PM ET to 1:45 PM ET for the remainder of the current monthly operational schedule. These repo operations will be conducted for an aggregate offered amount of \$500 billion. Also, the aggregate offered amount for the overnight repo operations conducted each morning will increase to \$500 billion for the remainder of the current monthly operational schedule...”</p> <p>“Said another way, each and every day for remainder of the month—for now—the Fed will be doing \$1tril of REPO ... PER DAY. In effort to regain the upper hand in as far as the credit markets go,” noted Quaestus Holdings’ Steve Feiss.</p> <p>On March 19, the Federal Reserve Board, FDIC and OCC issued an interim final rule to broaden its program of support for the flow of credit to households and businesses</p>

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	<p>by taking steps to enhance the liquidity and functioning of money markets. The rule enables financial institutions to “effectively use” the Fed’s Money Market Mutual Fund Liquidity Facility (MMLF), which was launched on March 18. On March 20, the Fed announced it has expanded the MMLF to allow for the purchase of high-quality assets from single-state and other tax-exempt municipal money market funds. The Federal Reserve Bank of Boston will make loans available to eligible financial institutions secured by high-quality assets purchased by the financial institution from money market mutual funds, pursuant to the MMLF term sheet.</p> <p>On March 19, the Federal Reserve announced the establishment of temporary U.S. dollar liquidity arrangements (swap lines) with nine countries—the Reserve Bank of Australia, the Banco Central do Brasil, the Danmarks Nationalbank (Denmark), the Bank of Korea, the Banco de Mexico, the Norges Bank (Norway), the Reserve Bank of New Zealand, the Monetary Authority of Singapore, and the Sveriges Riksbank (Sweden). The swap lines are designed to “help lessen strains in global U.S. dollar funding markets, thereby mitigating the effects of these strains on the supply of credit to households and businesses, both domestically and abroad.”</p> <p>On March 19, the federal bank regulatory agencies issued a joint statement on CRA consideration for activities in response to COVID-19, effective until six months after the national emergency declaration is lifted, unless extended by the agencies. The agencies will provide favorable CRA consideration for financial institution’s retail banking services and retail lending activities in their assessment areas that respond to the needs of affected low and moderate-income individuals, small businesses, and small farms consistent with safe and sound banking practices. These activities may include:</p> <ul style="list-style-type: none"> • Waiving certain fees; • Easing check-cashing restrictions; • Expanding the availability of short-term, unsecured credit and increasing credit card limits for creditworthy borrowers; • Providing alternative service options; and

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	<ul style="list-style-type: none"> • Offering payment accommodations, such as permitting deferred or skipped payments or extending payment due dates to avoid delinquencies and negative credit bureau reporting. <p>Financial institutions that engage in qualifying community development (CD) activities will also receive favorable CRA consideration for loans, investments, or services that support digital access for low and moderate-income individuals or communities and economic development activities that sustain small business operations. Favorable consideration will also be given to CD activities that help to stabilize communities affected by Covid-19 located in a broader statewide or regional area that encompasses a financial institution’s CRA assessment area, “provided that such institutions are responsive to the CD needs and opportunities that exist in their own assessment area(s).”</p> <p>On March 17, the Federal Reserve announced the creation of a special credit facility to serve as a funding backstop to facilitate commercial lending. Under the structure, the Federal Reserve Bank of New York will lend money to the newly created special purpose vehicle (SPV) on a resource basis, to be secured by the commercial loans purchased by the SPV from eligible issuers. There are limits on the maximum amount any single issuer may sell to the SPV. The SPV is scheduled to cease purchasing additional commercial paper on March 17, 2021. Links: Terms and Conditions of the Commercial Paper Funding Facility and FAQs.</p> <p>On March 16, the federal bank regulatory agencies issued a statement encouraging depository institutions to use the Federal Reserve’s discount window to meet household and business demands for credit.</p> <p>The Federal Reserve System provides a list of resources on Coronavirus Disease 2019 (COVID-19). ReedSmtih provides a summary of bank regulators’ expectations of their regulated firms during the COVID-19 crisis.</p>

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<p>Treasury Department</p>	<p>On March 20, Treasury Secretary Steven Mnuchin tweeted “we are moving Tax Day from April 15 to July 15. All taxpayers and businesses will have this additional time to file and make payments without interest or penalties.”</p> <p>On March 18, the Treasury Department and IRS issued guidance allowing all individual and other non-corporate tax filers to defer up to \$1 million of federal income tax (including self-employment tax) payments due on April 15, 2020, until July 15, 2020, without penalties or interest. The guidance also allows corporate taxpayers a similar deferment of up to \$10 million of federal income tax payments that would be due on April 15, 2020, until July 15, 2020, without penalties or interest. This guidance will result in about \$300 billion of additional liquidity in the economy in the near term.</p>
<p>FDIC</p>	<p>On March 19, the FDIC issued FIL-18-2020, which addresses the frequently asked questions for bank customers affected by Covid-19, including deposit insurance; customer access to money; tips for avoiding scams; and identity theft, among other things. The FAQs for financial institutions affected by Covid-19 cover topics including working with borrowers affected by Covid-19 through payment accommodations, reporting delinquent loans, and operational issues affecting institutions.</p> <p>In a March 19 letter to the Financial Accounting Standards Board, FDIC Chairman Jelena McWilliams requested a delay in transitions to and exclusions from certain accounting rules, including</p> <ul style="list-style-type: none"> • Excluding COVID-19-related modifications from being considered a concession when determining a troubled debt restructuring (TDR) classification;

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	<ul style="list-style-type: none"> • Permitting financial institutions currently subject to the current expected credit losses (CECL) methodology an option to postpone implementation of CECL given the current economic environment; and • Imposing a moratorium on the effective date for those institutions that are not currently required to implement CECL to allow these financial institutions to focus on immediate business challenges relating to the impacts of the current pandemic and its effect on the financial system. <p>FDIC’s website, Coronavirus (COVID-19) Information for Bankers and Consumers website, provides comprehensive information for bankers and customers related to banking issues applicable during the pandemic.</p>
FHFA	<p>On March 23, FHFA authorized Fannie and Freddie to provide eviction suspension relief for renters in multifamily properties. Pursuant to the guidance, Fannie Mae and Freddie Mac will offer multifamily property owners mortgage forbearance with the condition that they suspend all evictions for renters unable to pay rent due to the impact of coronavirus. The forbearance is available to all multifamily properties with an GSE-backed performing multifamily mortgage negatively affected by the coronavirus national emergency.</p> <p>On March 23, FHFA directed Fannie and Freddie to grant flexibilities for appraisal and employment verifications, allowing the GSEs to leverage “appraisal alternatives” to reduce the need for appraisers to inspect the interior of a home for eligible mortgages. If lenders are unable to obtain verbal verification of the borrower’s employment before loan closing, the GSEs will allow lenders to obtain verification via e-mail from the employer, a recent year-to-date paystub from the borrower, or a bank statement showing a recent payroll deposit.</p> <p>On March 23, FHFA authorized Fannie Mae and Freddie Mac to support additional liquidity in the secondary mortgage market by entering into additional dollar roll transactions (dollar roll transactions provide mortgage-backed securities investors with</p>

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	<p>short-term financing of their positions, providing liquidity to these investors). Eligible collateral is limited to Agency mortgage-backed securities and the transactions must be undertaken via an auction or similar mechanism to ensure that they occur at a fair market price.</p> <p>On March 18, the FHFA directed Fannie Mae and Freddie Mac to suspend foreclosures and evictions for at least 60 days due to the Covid-19 national emergency. The foreclosure and eviction suspension applies to homeowners with an Enterprise-backed single-family mortgage. Some borrowers may be granted forbearance for up to 12 months, depending on the situation, said FHFA Director Mark Calabria in an NPR interview on March 20. Other links: Fannie Mae Lender Letter; Fannie Mae Assistance Options for Homeowners, and Freddie Mac Seller Servicer Guidance</p>
<p>HUD</p>	<p>On March 18, HUD implemented an immediate foreclosure and eviction moratorium for single-family homeowners with FHA-insured mortgages for the 60 days, pursuant to Mortgagee Letter 2020-04. The guidance, which applies to homeowners with FHA-insured Title II Single Family forward and Home Equity Conversion (reverse) Mortgages, directs mortgage servicers to: (i) halt all new foreclosure actions and suspend all foreclosure actions currently in process; and (ii) cease all evictions of persons from FHA-insured single-family properties. FHFA and HUD officials issued statements clarifying that the policy will extend at least 60 days—contrary to earlier news reporting that pegged the window for suspensions as extending “until the end of April.”</p> <p>On March 21, HUD issued a partial waiver of 24 CFR 203.604, a servicing policy requiring mortgagees to establish in-person contact with borrowers during early default intervention. The partial waiver is limited to a 12-month period and does not apply to face-to-face requirements in place for the Section 248 insurance program.</p> <p>On March 13, FHA issued a partial waiver of the face-to-face interviews with borrowers before three full monthly installments due are unpaid as required by 24 C.F.R. § 203.604. In lieu of an in-person meeting, servicers may establish contact by</p>

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	<p>phone, email, or video calling services. The partial waiver applies for 12 months, until March 13, 2021.</p> <p>FHA also issued FAQs for Single-Family Housing, noting that (i) FHA is continuing to endorse loans and process claims but there may be processing delays; (ii) if HOCs are closed, stakeholders should email the resource center at answers@hud.gov for escalated calls; (iii) the deadline for audited financial statements has been extended to April 30, 2020; (iv) CAIVRS and TOTAL Scorecard will continue to be available to lenders; (v) all on-site reviews are suspended until further notice but lender monitoring and loan reviews will continue remotely; and (vi) occupancy inspections and appraisals must continue but no physical contact with occupants is required.</p>
VA	<p>On March 16, the Department of Veteran’s Affairs (VA) released Circular 26-20-7, “Special Relief for those Potentially Impacted by COVID-19,” which provides guidance for veterans, lenders, servicers, and appraisers on the VA Home Loan Program in connection with the spread of Covid-19. Veterans are encouraged to call ahead for any in-person appointments with VA staff or with a lender, appraiser, or servicer regarding a home loan if the veteran may present a Covid-19 transmission risk. Additionally, the VA will permit lenders and servicers to offer relief to veterans impacted by the virus through (i) forbearance on guaranteed loan payments; (ii) waiver of late charges; and (iii) suspending credit bureau reporting. Appraisers are encouraged to continue business in accordance with Chapter 10 of the M26-7 Lender’s Handbook. As with the guidance for veterans, appraisers are also encouraged to determine if they present a Covid-19 transmission risk prior to face-to-face appointments, and then, as appropriate, to reschedule appointments or transfer the assignment to another appraiser. The announcement also urges appraisers to follow the Centers for Disease Control and Prevention’s recommendations to prevent the spread of Covid-19 when performing appraisals. The circular notes that the VA “is continuing with normal program operations” and will update information on the VA Home Loan Program as it is available.</p>

ENTITY	DESCRIPTION
CFPB	The CFPB has created a website with steps consumers can take to protect themselves from the financial impact of Covid-19, which includes guidance on steps to take in the event of difficulty meeting mortgage payment obligations, working with housing counselors, questions relating to credit reporting, and other resources.
CFTC	On March 20, the CFTC said it has provided temporary, targeted relief to a large (unnamed) U.S. bank that helps finance America’s oil and gas sector. The agency’s relief allows certain commodity swaps to be excluded in the major swap participant threshold calculation. The CFTC will also provide relief to those who operate commodity-focused investment funds that the agency regulates. For commodity pool operators, CFTC also granted temporary relief to certain reporting requirements.
State Financial Regulators	
<u>Alabama</u>	<p>On March 16, the Alabama Governor issued a statement expressing confidence in the measures that the State Banking Department has put in place and noted that Alabama banks are required to have business continuity plans in place to address emergency situations.</p> <p>On March 12, the Alabama State Banking Department issued guidance on pandemic planning and expectations for its state chartered banks.</p>
<u>Alaska</u>	The Alaska Division of Banking and Securities (the Division) issued a special notice for mortgage loan originators (MLOs), recognizing that Mortgage Broker-Lenders may require MLOs to work from home to help prevent the spread of the COVID-19 virus during the state of emergency. The Division will not take administrative or other punitive action against a licensed MLO or the sponsoring licensed company if the MLO conducts activities requiring licensure from home.

ENTITY	DESCRIPTION
<u>Arizona</u>	
<u>Arkansas</u>	<p>The Arkansas Securities Department (ASD) issued a statement noting that certain time constraints in statutes and rules that regulate the securities, non-depository mortgage lending, and money services industries may prevent or hinder the Department’s ability to render maximum assistance to the citizens of Arkansas while they are adhering to guidelines to prohibit the spread of disease. Those statutes and rules administered by the Commissioner that have specific time constraints will be relaxed through April 16, 2020 if the need is related to Covid-19.</p>
<u>California</u>	<p>On March 20, the California Department of Real Estate (DRE) issued Covid-19 FAQs for licensing processes and business practices. While the DRE’s offices are closed until further notice, the DRE is still operational by phone, eLicensing, and mail. The FAQ responds to licensing questions, such as license renewals and examinations, and indicates additional questions and responses regarding business practices will be provided in the future.</p> <p>On March 19, California Governor Gavin Newsom (D) issued a statewide stay-at-home order, requiring 40 million residents to self-quarantine and non-essential businesses to close, until future notice. Groceries and convenience stores, restaurants that offer delivery, gas stations, pharmacies, banks and Laundromats will remain open.</p>
<u>Colorado</u>	<p>On March 16, the Colorado Department of Regulatory Agencies sent an email reiterating that Colorado mortgage loan originators (MLO) may perform licensed activities at a location other than at their registered work location. Since the State doesn’t license mortgage companies, the Colorado Board of Mortgage Loan Originators does not have any requirements concerning the location of where a mortgage company is doing business in Colorado, as long as they are operating legally in the state in accordance with standards determined and administered by the Colorado Secretary of State. (See §12-10-705, C.R.S.)</p>

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<u>Connecticut</u>	Non-essential businesses in Connecticut must close at 8 p.m. on Monday, March 23, to combat the novel coronavirus through social distancing, said Connecticut Gov. Ned Lamont (D).
<u>Delaware</u>	
<u>D.C.</u>	
<u>Florida</u>	On March 20, the Florida Office of Financial Regulation (OFR) issued guidance to Florida's consumer finance businesses and professionals. The OFR also issued an emergency order to extend OFR license renewal deadlines, occurring in March and April 2020, for a period of 30 days.
<u>Georgia</u>	The Georgia Department of Banking is collaborating and aligning oversight practices with the prudential Federal regulators and provided its constituents a reminder of emergency closing notification procedures and the implementation of pandemic planning.
<u>Hawaii</u>	
<u>Idaho</u>	On March 12, the Idaho Department of Finance issued temporary COVID-19 guidances for banks and credit unions , mortgage companies , consumer lenders and credit services and escrow licensees .
<u>Illinois</u>	
<u>Indiana</u>	
<u>Iowa</u>	On March 12, the Iowa Division of Banking issued a statement encouraging all financial institutions to review their pandemic policies and requested notification of any temporary branch closings and reiterated that approval must be obtained from IDOB to relocate offices.

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<u>Kansas</u>	<p>On March 18, Kansas Governor Laura Kelly issued Executive Order No. 20-06, which temporarily prohibits evictions and foreclosures from March 17, 2020 until May 1, 2020.</p> <p>On March 16, Kansas' Office of the State Banking Commissioner (OBSC) issued guidance regarding the closure of the OBSC offices and suspension of on-site examinations until at least the end of March. Separately, the OBSC issued guidance for licensed mortgage companies, mortgage loan originators, supervised loan licensees, credit services organizations, money transmitters, and credit notification registrants regarding working remotely from residences or other designated locations.</p>
<u>Kentucky</u>	<p>In a statement, the Kentucky Department of Financial Institutions (DFI) recommended Kentucky-chartered financial institutions work with customers affected by Covid-19 to meet their financial needs, including waiving overdraft fees, restructuring existing loans, and extending loan payment terms. Any bank or credit union that significantly alters its in-person operations should notify the Director of the Division of Depository Institutions by email.</p>
<u>Louisiana</u>	<p>On March 18, the Louisiana Commissioner of Financial Institutions issued separate emergency advisories for Repossession Agents & Bond For Deed Escrow Agents, Check Cashers, Lenders/Brokers Licensed, Pawnbrokers, Repossession Agents & Bond For Deed Escrow Agents, Residential Mortgage Lenders/Brokers/Originators</p> <p>On March 16, the Louisiana Commissioner of Financial Institutions issued an Emergency Declaration through April 9, 2020, governing branch closures, closure information and reduced operations.</p>
<u>Maine</u>	
<u>Maryland</u>	
<u>Massachusetts</u>	<p>On March 20, Massachusetts Governor Charles Baker (R) issued an order permitting the temporary deferral of certain inspections of residential real estate. The order will</p>

ENTITY	DESCRIPTION
	<p>remain into effect until it is rescinded or when the COVID-19 state of emergency is terminated, which ever happens first.</p> <p>On March 19, the Office of Consumer Affairs and Business Regulation Division of Banks issued a guidance regarding temporarily closing locations and business interruptions.</p> <p>On March 11, the Office of Consumer Affairs and Business Regulation Division of Banks issued a reminder to licensees that they are required to have in place contingency plans for a pandemic to minimize business disruption.</p> <p>On March 6, the Office of Consumer Affairs and Business Regulation Division of Banks issued guidance on financial institutions working with customers affected by COVID-19. The Division will provide appropriate regulatory assistance to affected financial institutions subject to their supervision, as warranted.</p>
<u>Michigan</u>	Michigan Department of Insurance and Financial Services (DIFS) issued a COVID-19 Information Notice regarding precautionary measures being taken during the pandemic.
<u>Minnesota</u>	
<u>Michigan</u>	<p>Michigan Department of Insurance and Financial Services (DIFS) issued a COVID-19 Information Notice regarding precautionary measures being taken during the pandemic.</p> <p>On March 18, the Minnesota Department of Commerce (MDoC) issued a guidance regarding change of branch locations and individual mortgage loan originators working from home. The Department is implementing a temporary telework policy until at least April 1, 2020 and can be reached by email in the interim. MDoC also issued a Memorandum encouraging financial institutions to work with customers who are adversely affected by the pandemic.</p>

ENTITY	DESCRIPTION
<u>Missouri</u>	On March 17, the Missouri Division of Finance notified state-chartered banks that they must request the Division’s authorization to close facilities for more than 24 hours.
<u>Mississippi</u>	
<u>Montana</u>	<p>On March 19, the Montana Division of Banking and Financial Institutions issued a Supervisory Memorandum on Operations During Novel Coronavirus Situation for Montana Banks.</p> <p>On March 16, the Montana Division of Banking and Financial Institutions issued a Memo on Working with Customers Affected by COVID-19</p> <p>On March 12, the Montana Division of Banking and Financial Institutions issued a Supervisory Memorandum and Proclamation related to COVID-19 for Montana Banks.</p>
<u>Nebraska</u>	On March 12, the Nebraska Department of Banking and Finance (NBFD) issued guidance on temporary branch locations outside of the NMLS upon notification. Pursuant to the guidance, licensed and sponsored mortgage loan originators may temporarily work from an unlicensed branch, including a home office, provided certain conditions are met.
<u>Nevada</u>	
<u>New Hampshire</u>	On March 17, New Hampshire Governor Christopher Sununu (R) issued Emergency Order #4 , which temporarily prohibiting evictions and during the State of Emergency declared in Executive Order 2020-04.
<u>New Jersey</u>	On March 19, the Department of Banking and Insurance issued Bulletin No. 20-04 , encouraging all entities licensed or regulated by the Department to take into consideration the adverse impact COVID-19 is having on customers and when possible extend grace periods, waive late fees and penalties, relax due dates for loan payments, etc. “The Department believes that reasonable and prudent efforts by your institutions

ENTITY	DESCRIPTION
	<p>to assist these businesses and individuals under these unusual and extreme circumstances are consistent with safe and sound practices as well as in the public interest.”</p> <p>On March 19, the Department of Banking and Insurance issued Bulletin No. 20-05 to remind financial institutions that they must provide the Department prompt notice regarding changes to branches’ operating hours.</p> <p>On March 19, the Department of Banking and Insurance issued Bulletin No. 20-06, setting forth the actions required for working from home during COVID-19 by residential mortgage lenders, residential mortgage brokers, mortgage loan originators, loan processors or underwriters, debt adjusters, consumer lenders, sales finance companies, mortgage servicers, and student loan servicers.</p> <p>The Department will take a no-action position regarding the licensure of certain branch office locations as a result of individuals who temporarily work from home during the COVID-19 outbreak, if the Office of Consumer Finance (“OCF”) licensee provides the Department (i) a list of all individuals, including full name, home address, telephone number, email address and, if applicable, NMLS Unique Identifier; (ii) a certification by the OCF licensee that these individuals are working from home due to a reason relating to the COVID-19 outbreak; and (iii) a certification by the OCF licensee that the location(s) shall ensure the maintenance of a consumer's right to privacy with respect to conversations and documents involving personal and financial information, including data privacy and cyber security, together with a description of the steps being taken and controls being implemented to ensure that consumer information and privacy are protected.</p>
<u>New Mexico</u>	On the New Mexico Financial Institutions Division website, the agency asked its regulated entities to email notices of any bank access restrictions or temporary branch closures pursuant to § 58-5-6 NMSA 1978 to Rebecca Moore , Bank & Trust Industry

ENTITY	DESCRIPTION
	<p>Manager, and any credit union access restrictions or temporary branch closures to David Gee, Credit Union Industry Manager.</p>
<p><u>New York</u></p>	<p>On March 19, New York Governor Andrew Cuomo (D) ordered the implementation of a 90-day mortgage-relief program to waive mortgage payments based on financial hardship. In addition, the program orders no negative reporting to credit bureaus; sets a grace period for loan modification; waives late payment fees or online payment fees and postpones or suspends foreclosures. In addition, state-chartered banks are instructed to waive ATM fees, late fees, overdraft fees and fees for credit cards to help lessen the financial hardship of the COVID-19 pandemic on New Yorkers.</p> <p>On March 17, the governor and the attorney general of New York announced that, effective immediately, New York will temporarily postpone collection efforts on certain debts. Consumers with student loan debt and medical debt owed to the state will be receive at least a 30-day hiatus on payments—including a freeze on the accrual of interest on the debts—in order to allow them to deal with the effects of Covid-19.</p> <p>Debts must fit certain criteria in order to qualify for the debt payment freeze. Among other things, the criteria include (i) “[p]atients that owe medical debt due to the five state hospitals and the five state veterans' home[s]”; (ii) “[s]tudents that owe student debt due to State University of New York campuses”; and (iii) “[i]ndividual debtors, sole-proprietors, small business owners, and certain homeowners that owe debt relating to oil spill cleanup and removal costs, property damage, and breach of contract, as well as other fees owed to state agencies.”</p> <p>On March 12, the Superintendent of the New York State Department of Financial Services ordered temporary relief to certain New York financial institutions to temporarily relocate or close branch offices or places of business if adversely affected by Covid-19, “without complying with the prior notice or application requirements of the Banking Law or Financial Services Law.” Pursuant to the order, licensed</p>

ENTITY	DESCRIPTION
	individuals may not conduct licensable activities in person with members of the public at or from their personal residence. The order also provided 45-day extensions to filing deadlines for certain certifications and annual and quarterly filings.
<u>North Carolina</u>	On March 15, the North Carolina Administrative Office of the Courts and Chief Justice Beasley issued a Memorandum implementing a 30-day postponement on foreclosures and other civil proceedings, subject to limited exceptions.
<u>North Dakota</u>	In a March 16 webpost , the North Dakota Department of Financial Institutions acknowledged that some financial institutions might determine it necessary to close or reduce service hours at some of their branch locations. These institutions are required to notify the Department of any reduction of hours and/or services. The Department will post all such notifications on this page .
<u>Ohio</u>	In a March 20 tweet, the Ohio Division of Institutions wrote, “The suspension of foreclosure sales and evictions is effective immediately and applies until May 17, 2020. If necessary, and at the direction of the @FHFA , @FreddieMac may extend the suspension of evictions beyond May 17, 2020.
<u>Oklahoma</u>	
<u>Oregon</u>	At a March 20 press conference, Oregon Governor Kate Brown (D) directed all state residents to stay-at-home, calling the directive “both an order and a public awareness campaign.”
<u>Pennsylvania</u>	On March 19, Pennsylvania Governor Tom Wolf issued an executive order mandating the closure of all non-life sustaining businesses in the state to curb the spread of COVID-19, effective March 21.
<u>Rhode Island</u>	
<u>South Carolina</u>	On March 13, 2020, the South Carolina State Board of Financial Institutions, Consumer Finance Division (division) issued interim guidance for mortgage

ENTITY	DESCRIPTION
	<p>origination and servicing companies regarding working remotely due to Covid-19. This temporary guidance allows licensed mortgage loan originators (MLO) to work from home if certain criteria are met, including (i) the company establishes temporary supervisory policies and procedures; (ii) the MLO has secure access to the company's origination system; (iii) the security of the MLO's computer is maintained; and (iv) the MLO does not keep physical company records at the remote location.</p>
<u>South Dakota</u>	
<u>Tennessee</u>	
<u>Texas</u>	<p>On March 13 and 17, the Texas Office of Consumer Credit Commission issued advisory bulletins to regulated lenders, credit access businesses, property tax lenders, and motor vehicle sales finance licensees regarding responses they can take to Covid-19, including allowing licensees to conduct business activities from unlicensed locations provided certain requirements are met (e.g., the licensee prepares a written plan or document describing next steps and locations where credit access business activity will take place).</p> <p>On March 16, the Texas Department of Banking issued Industry Notice 2020-03 providing guidance to regulated institutions regarding customer support, pandemic preparedness including tips on emergency closures, and future examinations.</p> <p>On March 13, the Texas Department of Savings and Mortgage Lending issued a statement to state savings bank presidents and chief executive officers, reminding them to review their business continuity plans, particularly as they relate to pandemics.</p> <p>On March 12, the Texas Department of Savings and Mortgage Lending announced it will begin minimizing on-site mortgage examinations and conduct them off-site to the extent possible.</p>
<u>Utah</u>	

ENTITY	DESCRIPTION
<u>Vermont</u>	On March 13, the Vermont Department of Financial Regulation issued a memorandum advising licensees and sponsoring companies that the Department will not take action against licensed mortgage loan originators and their sponsoring company if the MLO works from home so long as certain requirements are met.
<u>Virginia</u>	The Virginia Bureau of Financial Institutions (Bureau) issued the a policy statement regarding COVID-19, encouraging all supervised financial institutions to work constructively to mitigate the impacts of the pandemic on Virginia consumers and businesses. "...The Bureau will take such circumstances into account should a subsequent issue arise and will attempt to accommodate, consistent with law and sound practices, efforts made by licensees to minimize service disruptions. Licensees are nonetheless cautioned that data security, internal controls, and adherence to safe and sound lending practices must retain paramount importance in alternative work programs. The Bureau will also work with financial institutions to reduce burden when scheduling examinations and place an increased emphasis on off-site reviews and examinations."
<u>Washington</u>	On March 20, the Washington Department of Financial Institutions issued guidance to state regulated and exempt residential mortgage loan servicers for borrowers impacted by COVID-19. "The Department believes that reasonable and prudent efforts during this outbreak to assist mortgagors under these unusual and extreme circumstances are in the public interest and protect against widespread foreclosures. These efforts will not be subject to examiner criticism."
<u>West Virginia</u>	
<u>Wisconsin</u>	The Wisconsin Department of Financial Institutions (WDFI), Division of Banking published a website providing regulated entities with Covid-19 information and resources. The Division also noted that it will take a no-action position concerning a licensed mortgage loan originator working from a location that is not the licensed or registered office or branch office upon compliance with certain criteria.

ENTITY	DESCRIPTION
Wyoming	

For further information please contact:

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