



August 2013

**In This Issue**[Latest News and Alerts](#)[Upcoming Events](#)[Honors](#)**Latest News and Alerts**

Venable attorneys produce periodic alerts and newsletters covering a variety of topics and practice areas. For your convenience, we have assembled below a collection of the latest alerts and newsletters from July 2013. To view the full text of an article, please click on the title of the piece.

**[SEC Allows Public Advertising of Private Securities Offerings](#)**

On July 10, 2013, the SEC eliminated the ban on public advertising of private securities offerings. The SEC also adopted rules that prohibit "bad actors" from participating Rule 506 in offerings and that impose additional requirements on the issuers of Rule 506 offerings.

**Authors:** [Scott Gluck](#), [Parker Morrill](#), [Andrew Olmem](#), [Michael Rivera](#), [Randal Shaheen](#), and [Eric Smith](#)

**[What Your Nonprofit Needs to Do about HIPAA – Now](#)**

You need to know about changes to the privacy and security rules under HIPAA, which were made by the final omnibus HIPAA rule issued by the U.S. Department of Health and Human Services in January. Nearly every organization in the health care industry (and every service provider to those organizations) is affected by these changes.

**Authors:** [Thora Johnson](#), [Peter Parvis](#), [Jennifer Berman](#), [Molly Ferraioli](#), and [Jessica Kuester](#)

**[The 2013 Draft MDE General Permit for Stormwater Associated with Construction Activity](#)**

The Maryland Department of the Environment released a draft version of the General Permit for Stormwater Associated with Construction Activity that will replace the existing 2009 General Permit which expires at the end of this year. The Draft Permit contains several important new provisions and, once adopted, the Permit will be in effect for five years.

**Authors:** [Rosewin Sweeney](#) and [Thomas Lingan](#)

**[CFPB Unveils Regulatory Priorities: More Nonbank Supervision and Substantive Rulemakings Expected](#)**

On July 3, 2013, the CFPB unveiled its semi-annual update of its rulemaking agenda that highlights recent milestones reached and sets out its priorities and plans for the months ahead.

**Author:** [Jonathan Pompan](#)

**[Customer Due Diligence and Beneficial Ownership: New Requirements for Financial Institutions?](#)**

Coming soon to a financial institution near you: the requirement that all financial institutions identify individuals who own, control, or benefit from a legal arrangement (corporations, etc.) and verify their identities before opening an account, dealing in securities, selling a used car, or originating a mortgage.

**Author:** D.E. Wilson, Jr.

### **DC Court Strikes SEC Rule Requiring Extractive Industries' Reporting of Payments to Foreign Governments**

On July 2, 2013, the U.S. District Court for the District of Columbia vacated an SEC rule requiring oil, gas, and mining companies to report payments in excess of \$100,000 to foreign governments. The rule originated as part of the Dodd-Frank Act's amendments to the Securities Exchange Act of 1934 and was advanced largely by human rights and anti-corruption interests.

**Authors:** Lindsay Meyer, Carrie Kroll, Rachel Fiorill, and Amanda Blunt

### **Lessons from the IRS Nonprofit College and University Compliance Project: Final Report Offers a Wealth of Information for All Tax-Exempt Organizations**

In 2008, the IRS selected 34 colleges and universities for further examination under the Colleges and Universities Compliance Project. On April 25, 2013, the IRS released its final report on the Project which summarizes the findings from the completed examinations. Although the Project focused on colleges and universities only, the Final Report contains critical information that can be used by all tax-exempt organizations.

**Authors:** Margaret Rohlfing, Matthew Journey, Yosef Ziffer, and Jeffrey Tenenbaum

### **New York Legislature Passes Nonprofit Revitalization Act: Comprehensive, Significant Changes to New York Nonprofit Corporation Law on Horizon**

The Nonprofit Revitalization Act, a bill that makes comprehensive updates to the New York Not-for-Profit Corporation Law, recently passed both houses of New York's legislature. Its provisions apply to nonprofits that are incorporated in New York, but one significant section – related to financial audits and financial reporting to the state – applies to all nonprofits that are registered in New York for charitable solicitation purposes.

**Authors:** Lisa Hix, Susan Golden, Kristalyn Loson, and Jeffrey Tenenbaum

### **OFAC Expands General License for Export of Basic Medical Supplies to Iran; Provides Additional Guidance**

On July 25, 2013, the Office of Foreign Asset Control announced the expansion of its List of Basic Medical Supplies and issued clarifying Guidance on the Sale of Food, Agricultural Commodities, Medicine, and Medical Devices by Non-U.S. Persons to Iran. These actions are intended to demonstrate the United States' commitment to safeguarding humanitarian aid to and within Iran.

**Authors:** Ashley Craig, Lindsay Meyer, Carrie Kroll, and Rachel Fiorill

### **Private Fund Update**

Venable attorney Scott Gluck issues weekly emails describing key legislative and regulatory matters important to private funds.

[Click here to sign up for the weekly email blast.](#)

### **The Senate's Confirmation of Richard Cordray as Director of the Consumer Financial Protection Bureau and What This Means Going Forward**

The Senate's confirmation of Richard Cordray as head of the CFPB will lead to more certainty about the Bureau's direction and structure. His confirmation ensures that he will be the Director of the Bureau for the foreseeable future, and that the Bureau's basic structure will not change anytime soon. This will also make it easier to predict and respond to current and anticipated Bureau action.

**Author:** Allyson Baker

### **SIGTARP's Pursuit of TARP-Related Misconduct – No End in Sight**

On July 24 the Office of the Special Inspector General for the Troubled Asset Relief Program filed its latest Quarterly Report to Congress. The July Report summarizes SIGTARP's successes in prosecuting misconduct relating to TARP and serves as a stark reminder of SIGTARP's robust enforcement powers. The report is also an important warning to anyone who touches TARP in any way that the agency is committed to aggressively pursuing TARP-related misconduct for many years to

come.

**Authors:** Michael Rivera and Hillary Profita

### **U.S. Senate Finance Committee Report Highlights Potential Tax Reforms for Tax-Exempt Organizations**

The U.S. Senate Finance Committee released a compilation of federal tax reform options applicable to tax-exempt organizations and charitable giving. This report includes a wide variety of reforms suggested in the past by bipartisan commissions, tax policy experts, members of Congress, and witnesses at Committee hearings. While it does not reflect current or proposed law, the report is a closer look at the types of reforms that the Committee is likely to consider as it delves further into tax reform efforts.

**Authors:** Yosef Ziffer and Jeffrey Tenenbaum

### **What to Know about CFPB Supervision and Examination**

The CFPB issued its final rule establishing procedures to bring nonbanks whose activities pose risks to consumers under its supervisory authority. Nonbanks subject to the rule are companies that offer or provide consumer financial products or services but do not have a bank, thrift, or credit union charter. As a result, providers of financial advisory services, credit counseling, debt management plans, debt settlement, and money transmission services, and their service providers, may be subject to supervision and examination.

**Author:** Jonathan Pompan

### **Advertising News & Analysis**

- **July 18, 2013 edition**  
Featuring articles on changes to EnergyGuide labels, protecting brands from counterfeiting, staffing announcements at FTC, a new FCC rule preventing some marketing to mobile phones, and Richard Cordray's confirmation as head of the CFPB.
- **July 25, 2013 edition**  
Featuring articles on the Digital Advertising Alliance's new mobile privacy guidelines, FTC's recent edict to keep search engines and social media sites separated, substantiated preference claims, and FDA pre-approval of treatment claims.

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[Return to the top](#)

## **Upcoming Events**

We would also like to highlight upcoming Venable events that you may be interested in attending. Please click on the event title for additional information.

### **[The Road Map to HIPAA Compliance: What Your Nonprofit Needs to Know](#)**

**August 8, 2013**

**12:00 p.m. - 2:00 p.m. ET**

You need to know about recent changes to the privacy and security rules under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). These changes require immediate action. The compliance deadline - September 23, 2013 - is fast approaching. To learn what needs to be done between now and then by nearly every nonprofit organization in the healthcare industry (and the organizations that support the healthcare industry), please join us for a special seminar.

**[Click here to register and for more information.](#)**

**[Chuck Morton will Present "The Impact of Private Equity in the US Economy" at ACG's Private Equity Dealmaking on the Beach: It's A "Shore" Thing!](#)**

**Sunday, August 11, 2013  
6:30 p.m. - 8:00 p.m. ET**

It's "shore" to be a great time at the first ACG New York, New Jersey, Philadelphia, and Connecticut Dealmaking Conference at the Beach! Join colleagues and industry leaders for two days of networking, panel discussions, and relationship building in Long Branch, NJ at Ocean Place Resort & Spa.

[Click here to register and for more information.](#)

**Opus Connect's Century City & Real Estate Chapters August Networking Event  
August 13, 2013  
5:30 p.m. - 7:30 p.m. ET**

Please join us at the New York City offices of Venable LLP for an evening of networking and socializing with other distinguished professionals in Finance, Banking, and Real Estate. Drinks and hors d'oeuvres will be served.

[Click here to register.](#)

**Point / Counterpoint: LeadGen and the Consumer Financial Protection Bureau  
at LeadsCon East 2013  
August 14-15, 2013**

This session will provide an overview of the CFPB's focus on lead generation, and ways to avoid scrutiny. The legal risks are different than in years past, and range from orders to shut down your business, civil monetary penalties, and prohibitions on advertising in the future to potential criminal referrals. Learn best practices, and potential pitfalls from one of the CFPB's own top enforcers and a leading industry attorney.

[Please visit the LeadsCon site for more information and registration.](#)

**The IRS Final Report on Nonprofit Colleges and Universities: Lessons for All  
Tax-Exempt Organizations  
August 21, 2013  
12:00 p.m. - 2:00 p.m. ET**

In 2008, the IRS selected 34 colleges and universities for further examination under the Colleges and Universities Compliance Project. On April 25, 2013, the IRS released its final report on the Project which summarizes the findings from the completed examinations. Although the Project focused on colleges and universities only, the Final Report contains critical information that can be used by all tax-exempt organizations. Please join us for this informative program on the Final Report's findings, their significance, and the lessons, tips, and other guidance applicable to all tax-exempt organizations.

[Click here to register and for more information.](#)

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[Return to the top](#)

## Honors and Awards

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