
Credit Union Department



NEWSLETTER

No. 06-08

www.tcu.state.tx.us

June 30, 2008

June Commission Meeting: Action On Proposed And Reviewed Rules; New Rule Review Plan

At its meeting on June 20, 2008, the Commission voted to adopt changes to **7 TAC §§91.301 and 91.302**. Section 91.301, Field of Membership, has been amended to grant the commissioner the authority to approve field of membership expansions approved by the NCUA. Other amendments clarify criteria for adding a Group to a credit union's field of membership and make grammatical and technical changes to the rule.

Changes to §91.302, Election of Other Membership Vote by Electronic Balloting, Early Voting, Absentee Voting, or Mail Balloting, include provisions on early voting and eliminate the requirement that early or absentee ballots be received five calendar days before the annual or special meeting. The text of the amended rules is on the Department's website at [www:tcu.state.tx.us](http://www.tcu.state.tx.us) under "**Resources**" and click on "**Laws/Rules**".

In addition, as a result of the Department's rule review, **7 TAC §§91.7000, Certificates of Indebtedness, and 91.8000, Discovery of Confidential Information**, were readopted. Once the rules are effective, the Department will print and mail the amended and readopted versions to all credit unions.

The Commission also voted to approve for publication and comment proposed amendments to **7 TAC §91.405**. The proposed amendments will eliminate the requirement that certain credit union records be maintained in paper form and give credit unions flexibility to choose the best format for maintaining records. The text of the rule with proposed amendments can be found on the Department's website at [www:tcu.state.tx.us](http://www.tcu.state.tx.us) under "**Resources**" and click on "**Laws/Rules**".

Finally, in accordance with Government Code §2001.39, the Commission adopted a new Rule Review Plan for 2009-2012. The plan sets out a four year schedule for reviewing each of the agency's rules. Rules subject to review are posted on the Department's website at [www:tcud.state.tx.us](http://www.tcu.state.tx.us) under "**Resources**" and click on "**Laws/Rules**" – "**Agency Rule Review**".

Home Equity Interpretations

At its June meetings the Credit Union and Finance Commission voted to adopt the proposed amendments to 7 TAC §§**153.22**, Copies of Documents, and **153.84**, Restrictions on Devices and Methods to Obtain a HELOC Advance, and to withdraw the proposed amendments to 7 TAC §**153.51**, Consumer Disclosure. The amendments to §§153.22 and 153.84 were proposed as a result of the constitutional amendments approved by the voters last December. The amendments to §153.51 were withdrawn in response to comments that the amendments belonged in §153.13. The Commissions agreed and proposed amendments to §153.13 as described below.

The Commissions also voted to approve for publication and comment amendments to 7 TAC §§**153.11**, Repayment Schedule, **153.12**, Closing Date, **153.13**, Preclosing Disclosures, **153.14**, One Year Prohibition, **153.51**, Consumer Disclosure, and **153.95**, Cure a Violation, and 7 TAC §§**151.1**, Application for Interpretation, **151.3**, Initiation of Interpretation Procedure, **151.7**, Adoption of Interpretation, **151.8**, Savings Clause and Severability. These amendments were proposed as a result of the Commissions' review of Chapters 151 and 153 as required by the Government Code §2001.039, and as a result of the comments received during that review.

Finally, the Commissions voted to readopt the remaining interpretations under Chapters 151 and 153 that were not proposed to be amended. The text of all of the amended interpretations, proposed amendments to the interpretations, and readopted interpretations can be viewed on the Department's website at [www:tcud.state.tx.us](http://www.tcu.state.tx.us). under "**Resources**".

Credit Union Service Organizations

Credit Union Commission Rule 91.801 allows Texas credit unions to invest in or loan funds to a Credit Union Service Organization (CUSO). As a separate legal entity, a CUSO can provide various benefits including the ability to work with other credit unions to develop economies of scale for new products or services. The rule contains a detailed listing of permissible CUSO activities and services, as well as specific organizational and notification requirements. Most notably, each credit union that invests in or loans funds to a CUSO must provide written notice to the Commissioner at least 15 days prior to any material changes in the CUSO activity. The notification requirement includes: a credit union's intent to make an initial investment in or loan to a CUSO, a material change to a CUSO's organizational structure, or any new activities to be performed by an existing CUSO.

2008 Credit Union Satisfaction Questionnaire Results

We would like to take this opportunity to formally thank each of you who participated in our annual credit union satisfaction survey. The response rate for the 2008 Questionnaire was 71%. The feedback we received from credit unions is extremely valued, and we are committed to enhancing our overall activities and processes. This year, we are very pleased by your compliments and praise of our staff members.

Of course, the ultimate reason we requested your comments is to address any areas that may warrant enhancement or improvement. Each questionnaire was received and reviewed by Department management.

We will continue to work on ways to improve the Department overall. Your suggestions are always helpful in this regard. We would once again like to thank you for your participation and thoughtful comments in the 2008 Questionnaire. Please provide any additional comments or suggestions throughout the year.

Publishing Notice Of Applications In The Texas Register

In order to meet the submission deadlines for the applicable issues of the *Texas Register*, it is necessary for the Department to establish the schedule included below. Completed applications received after the deadline for the month cannot be published until the following month.

<u>Published In</u>	<u>Deadline for Receipt</u>
July, 2008	Friday, July 11
August, 2008	Friday, August 15

Applications Approved

Applications approved since May 31, 2008 include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
Field of Membership Change(s) Approved:	
Members Choice Credit Union (Houston) (Conditional)	See Newsletter No. 12-07
Firstmark Credit Union (San Antonio)	See Newsletter No. 03-08
First Service Credit Union (Houston) (#1 & #2)	See Newsletter No. 04-08
First United Credit Union (Tyler)	See Newsletter No. 04-08
United Credit Union (Tyler)	See Newsletter No. 04-08

Merger(s) or Consolidation(s) Changes Approved:

DMC Credit Union with **The Local FCU**

See Newsletter No. 01-08

Charter Change(s) Approved:

Highway District 2 Credit Union (Fort Worth)

50 Years to Perpetuity

Merger(s) or Consolidation(s) Changes Withdrawn:

Houston Highway CU with **Energy Capital CU**

See Newsletter No. 03-08

Applications Received

The following applications were received and published in the June 27, 2008 issue of the Texas Register.

Field of Membership Expansion(s):

InvesTex Credit Union (Houston) – To permit persons who live or work within a 10-mile radius of the InvesTex Credit Union offices located at 905 Aldine Bender, Houston, TX 77032, 230 Cypresswood, Spring, TX 77388, 5444 Atascocita Rd., Suite 108, Humble, TX 77346, 900 Wunsche Loop, Spring, TX 77373, 24922 Tomball Parkway, Suite 100, Tomball, TX 77375, and 811 North Loop West, Houston, TX 77008, to be eligible for membership in the credit union.

DATCU (Denton) – To permit persons who live, work, worship, or attend school in and businesses and other legal entities located in the city of Coppell, Texas, to be eligible for membership in the credit union.

First Service Credit Union (Houston) – To permit employees of The Dump who work in or are paid from Houston, Texas, to be eligible for membership in the credit union.

Metroplex Credit Union (Dallas) – To permit persons who live, worship, attend school or work within a 10-mile radius of our principal office located at 2501 E. Hebron Parkway, Carrollton, Texas, to be eligible for membership in the credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Credit unions that wish to comment on any application must also complete a Notice of Protest form. The form may be obtained by contacting the Department at (512) 837-9236 or downloading the form at <http://www.tcred.state.tx.us/applications.html>. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

Articles of Incorporation Change(s):

Galleria Credit Union (Dallas) -- The credit union is proposing to change its name to Prestige Community Credit Union.

Merger(s) or Consolidation(s):

An application was received from **America's Credit Union** (Garland) seeking approval to merge with **Sherwin Williams Texas Federal Credit Union** (Garland). America's Credit Union will be the surviving credit union.

An application was received from **Texas Telcom Credit Union** (Dallas) seeking approval to merge with **Union Pacific & Transportation Employees Federal Credit Union** (Dallas). Texas Telcom Credit Union will be the surviving credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

Holiday Schedule for TCUD

The Department's office will be closed on **July 4, 2008**, in observance of Independence Day.

