
Credit Union Department



NEWSLETTER

No. 08-10

www.tcuad.state.tx.us

August 31, 2010

NASCUS DIRECTORS' COLLEGE

Today's credit union directors are faced with new risks and new realities as their roles and responsibilities continue to evolve at an unprecedented pace. In the current environment of significant new regulations and the sobering prospect of increased liability, the director's role has never been more difficult.

In response the National Association of State Credit Union Supervisors (NASCUS) will continue its Directors College series in San Antonio, Texas on September 29, 2010. The Directors' College will allow directors and senior credit union management to hear about the expectations regulators have of directors and provide a unique opportunity for a candid exchange of views and experiences. Speakers include Dennis Dollar, former NCUA Chairman, Keith Morton, NCUA Region IV Director and Steve Gibbs with the Texas Credit Union League.

State and Federal credit unions in Texas are encouraged to consider this very timely and relevant one-day session. To register and see the full agenda visit the [NASCUS website](#). Credit unions that register three of their directors may bring a fourth at no cost.

NATIONAL CREDIT UNION SHARE INSURANCE FUND (NCUSIF) ASSESSMENT

National Credit Union Administration (NCUA) Letter to Credit Unions 10-CU-09 issued in June 2010 stated that the NCUA Board would consider an assessment for the NCUSIF later in 2010. This assessment will cover losses at natural person credit unions and is in addition to the 13.4 basis point Temporary Corporate Credit Union Stabilization Fund (TCCUSF) assessment that credit unions were required to report on the June 30, 2010 Form 5300. The NCUA Board projects the NCUSIF assessment to be within the range of 10-to-25 basis points. It is expected that the assessment will be required to be reported on the September 30, 2010 Form 5300.

REGISTRATION OF MORTGAGE LOAN ORIGINATORS

On July 28, 2010, NCUA, in conjunction with the Federal banking agencies issued final rules requiring residential mortgage loan originators (MLOs) who are employees of credit unions to meet the registration requirements of the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (S.A.F.E. Act). The S.A.F.E. Act requires MLOs who are employees of credit unions to be registered with the Nationwide Mortgage Licensing System and Registry (NMLSR).

NCUA anticipates that the registry could begin accepting federal registrations as early as January 28, 2011. Employees of credit unions must not register until the NCUA instructs them to do so. The agency will provide an advance announcement of the date when the registry will begin accepting federal registration, and credit union employees will have 180 days from that date to comply with the initial registration requirements.

Refer to the NMLSR website for further information and frequently asked questions:

<http://mortgage.nationwidelicencingsystem.org/fedreg/Pages/default.aspx>

SHARE INSURANCE REGULATIONS

The Department periodically receives inquiries about the applicability of certain provisions of the NCUA Rules and Regulations to state-chartered credit unions. Based on the federal share insurance coverage, a number of the federal regulations also apply to state-chartered, federally-insured credit unions. Part 741 of the NCUA Rules and Regulations provides a detailed breakdown of the federal credit union regulations that also apply to state-chartered credit unions. We would encourage credit unions to ensure that they review the regulation to determine the specific requirements that apply to all federally-insured credit unions.

OPERATING FEE

On August 27, 2010, the invoices for the first installment of the Operating Fee for fiscal year 2011 were mailed to all credit unions. All fees must be received on or before **September 30, 2010** to avoid the payment of any penalties. If you did not receive an invoice, please contact Isabel Velasquez at (512) 837-9236.

CHANGE 26 SENT TO CREDIT UNIONS

The most recent rules update, [Change 26](#), was sent to credit unions electronically on August 2, 2010. Please contact our office if you have any questions.

WEBSITE REQUIREMENTS

The Finance Code requires credit unions that maintain websites to have certain information displayed on their websites. Under Finance Code §15.409, a credit union must provide a complaint notification. Commission Rule 91.121 describes the content of the notification. Finance Code §15.4105 requires credit unions to make their annual report available to members throughout the year on their websites. Both the statute and Commission Rule 91.310 provide more information on what a credit union must include in the annual report. Finally, Finance Code §122.107 requires credit unions to notify members that certain documents are available to the members. Commission Rule 91.315 has additional detail on the requirements.

Credit unions should expect examiners to review the websites for compliance with these statutory and regulatory requirements. Failure to comply will result in exam findings.

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>
September, 2010	Friday, September 10
October, 2010	Friday, October 15

APPLICATIONS APPROVED

Applications approved since July 31, 2010 include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
Field of Membership Change Approved:	
The Education Credit Union (Amarillo) (#1)	See Newsletter No. 05-10
Merger or Consolidation Approved	
Southeast Community CU with River City FCU	See Newsletter No. 04-10
Articles of Incorporation Approved	
Memorial Hermann Credit Union (Houston)	See Newsletter No. 06-10

APPLICATIONS RECEIVED

The following applications were received and published in the August 27, 2010 issue of the *Texas Register*.

Field of Membership Expansions:

SPCO Credit Union (Waco) (#1) – To permit persons who live, work, worship or attend school within a 10 mile radius of the credit union’s office located at 12755 N. Houston-Rossllyn Rd., Houston, TX 77086, to be eligible for membership in the credit union.

SPCO Credit Union (Waco) (#2) – To permit persons who live, work, worship or attend school within a 10 mile radius of the credit union’s office located at 9800 Northwest Freeway #100, Houston, TX 77092, to be eligible for membership in the credit union.

GECU (El Paso) – To permit persons who work or reside in the County of Hudspeth, Texas, to be eligible for membership in the credit union.

NCI Community Development Credit Union (Houston) – To permit people who live, work, worship, or attend school within the following U.S. Postal Zip Codes: 77033, 77061, and 77087, to be eligible for membership in the credit union.

Cabot & NOI Employees Credit Union (Pampa) (#1) -- To permit employees of JJ Curtis Company, LC, 1050 N. Price Rd., Pampa, TX 79065, to be eligible for membership in the credit union.

Cabot & NOI Employees Credit Union (Pampa) (#2) -- To permit employees of Pampa Regional Medical Center, One Medical Plaza, Pampa, TX 79065, 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.t cud.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:

Baylor Health Care Systems Credit Union (Dallas_ -- The credit union is proposing to change its name to Baylor Health Care System Credit Union.

Merger(s) or Consolidation(s) Change:

An application was received from **Thermon Employees Credit Union** (San Marcos) seeking approval to merge with **St. John's Federal Credit Union** (San Marcos), with the latter being 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 **September 6, 2010**, in observance of Labor Day.



This newsletter is produced monthly as a part of the Department's continued communication outreach with the credit unions it regulates. Delivery is generally provided by electronic notification of its availability on the Department's website at <http://www.t cud.state.tx.us>.

Suggestions and comments concerning the newsletter or its content should be sent to the Department at 914 East Anderson Lane, Austin, Texas 78752-1699 or via email to info@t cud.state.tx.us.