



# Newsletter

No. 11-14



November 19, 2014



**Credit Union Department**  
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*CUD is the state agency that regulates and supervises credit unions chartered by the State of Texas. The Department is professionally accredited by the National Association of State Credit Union Supervisors (NASCUS) certifying that CUD maintains the highest standards and practices in state credit union supervision.*

*Our **Mission** is to safeguard the public interest, protect the interests of credit union members and promote public confidence in credit unions.*

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### Credit Union Commission

*The Commission is the policy making body for CUD. The Commission is a board of private citizens appointed by and responsible to the Governor of Texas.*

### Members:

- Manuel Cavazos IV, Chair
- Rob Kyker, Vice Chair
- Gary D. Tuma
- Gary L. Janacek
- Sherri B. Merket
- Allyson "Missy" Morrow
- Kay Stewart
- Vik Vad
- A. John Yoggerst

### Next Commission Meeting

*Friday, February 20, 2015 beginning at 8:00 a.m. in the offices of CUD.*

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## Cybersecurity

The Federal Financial Institutions Examination Council (FFIEC) has published observations based on its assessment of steps that 500 financial institutions are taking to deal with cyber threats. Among other recommendations, the "[FFIEC Cybersecurity Assessment General Observations](#)" encourages financial institutions, including credit unions, to participate in the Financial Services Information Sharing and Analysis Center (FS-ISAC) as part of their efforts to enhance the cyber security of their institutions. The FS-ISAC is a non-profit, information-sharing forum designed to get information about cyber threats out to financial institutions as quickly as possible and act as a repository of emerging cyber threats. Here is a link to the site: <https://www.fsisac.com/>



## Rules Update to Credit Unions

**Change 38**, the most recent rules update was sent to credit unions electronically on November 12, 2014. Please contact our office if you have any questions.



## Upcoming Holiday Schedule for CUD

The Department's office will be closed on **November 27-28, 2014** in observance of Thanksgiving.



## ***Rule Review***

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The Texas Credit Union Commission will review and consider for re-adoption, revision, or repeal **Chapter 91, §§91.501** (Director Eligibility and Disqualification), **91.502** (Director/Committee Member Fees, Insurance, Reimbursable Expenses, and Other Authorized Expenditures), **91.503** (Change in Credit Union President), **91.510** (Bond and Insurance Requirements), **91.515** (Financial Reporting), **91.516** (Audits and Verifications), **91.601** (Share and Deposit Accounts), **91.602** (Solicitation and Acceptance of Brokered Deposits), **91.608** (Confidentiality of Member Records), and **91.610** (Safe Deposit Box Facilities) of Title 7, Part 6 of the Texas Administrative Code in preparation for the Commission's Rule Review as required by Section 2001.039, Government Code.

An assessment will be made by the Commission as to whether the reasons for adopting or readopting these rules continue to exist. Each rule will be reviewed to determine whether it is obsolete, whether the rule reflects current legal and policy considerations, and whether the rule reflects current procedures of the Credit Union Department.

Comments or questions regarding these rules may be submitted in writing to, Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699, or electronically to [info@cud.texas.gov](mailto:info@ cud.texas.gov). The deadline for comments is December 19, 2014.

The Commission also invites your comments on how to make these rules easier to understand. For example:

- Do the rules organize the material to suit your needs? If not, how could the material be better organized?
- Do the rules clearly state the requirements? If not, how could the rule be more clearly stated?
- Do the rules contain technical language or jargon that isn't clear? If so, what language requires clarification?
- Would a different format (grouping and order of sections, use of headings, paragraphing) make the rule easier to understand? If so, what changes to the format would make the rule easier to understand?
- Would more (but shorter) sections be better in any of the rules? If so, what sections should be changed?

Any proposed changes to these rules as a result of the rule review will be published in the Proposed Rule Section of the *Texas Register*. The proposed rules will be open for public comment prior to final adoption by the Commission.



## ***Applications for NCUA Consulting Due November 30th***

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Credit unions wanting to receive consulting assistance from NCUA's Office of Small Credit Union Initiatives have until **November 30** to complete and submit their applications. To take advantage of this opportunity for free consulting services, a credit union must submit a [nomination form](#). Credit unions chosen to participate in the consultation program will be announced in December.

## ***Confidentiality***

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The Texas Finance Code contains several provisions that ensure confidentiality of information pertaining to the business and operation of credit unions. Information about the financial condition or business affairs of a credit union obtained by the Department in an application, examination, or investigation must be kept confidential, according to section 126.002. This section also prohibits a credit union from making public information provided to the credit union by the Department. Section 122.261 states that determination letters, cease and desist orders, removal orders and documents related to these are confidential documents; the Commissioner may release information about such orders only in rare and exceptional instances when necessary to the enforcement of the order. Likewise, conservatorship orders are similarly protected from disclosure under section 126.108. The Texas Attorney General's office has consistently supported the Department's duty to withhold confidential information from public information requests. These confidentiality provisions ensure that sensitive information is limited to the appropriate parties.



## ***Publication Deadlines***

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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>Publication Date</u>	<u>Application Deadline</u>
December, 2014	Friday, December 12
January, 2015	Friday, January 16



## ***Applications Approved***

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Applications approved since October 15, 2014 include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
<b><i>Field of Membership – Approved:</i></b>	
Texas Dow Employees Credit Union (Lake Jackson)	See Newsletter No. 06-13
Texas Dow Employees Credit Union (Lake Jackson)	See Newsletter No. 08-14
InvesTex Credit Union (Houston)	See Newsletter No. 08-14



## *Applications Received*

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The following applications were received and will be published in the November 28, 2014 issue of the *Texas Register*.

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### ***Field of Membership Expansion:***

**InTouch Credit Union**, Plano, Texas. The proposal would permit employees of Service King Collision Repair Centers and its majority owned subsidiaries, including employees of any successors(s) in interest, on-site contractors/vendors who have a business relationship with Service King and regularly work on Service King facilities at one or more Service King locations throughout the United States, and members of the family of such persons, except foreign nationals at foreign locations, 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.cud.texas.gov/page/bylaw-charter-applications>. 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.



*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.*

*Suggestions and comments concerning the newsletter or its content are welcomed.*



To learn more about CUD click <http://www.cud.texas.gov> or contact us at 914 E. Anderson Lane, Austin, TX 78752

