
Credit Union Department



NEWSLETTER

No. 06-05

www.tcu.d.state.tx.us

June 30, 2005

Results of Credit Union Commission Meetings

The Credit Union Commission held two meetings on Friday, June 17, 2005. At those meetings the Commission took the following actions regarding Commission Rules and Interpretations.

- Adopted the following interpretations:

152.1 – Definitions

152.3 – Requirements for Construction of New Improvements

152.5 – Requirements for Work and Material Used to Repair or Renovate

152.7 – Consent of Spouses in the Case of Family Homestead

152.15 – Place of Execution of Contract for Work and Material

- Adopted amendments to **91.801** – Investments in Credit Union Service Organizations (CUSO)

- Readopted without changes the following rules:

91.103 – Public Notice of Department Activities

91.104 – Notice of Applications

91.105 – Applications for Authorization from the Commissioner

91.110 – Protest Procedures for Applications

91.120 – Posting of Notice Regarding Certain Loan Agreements

91.201 – Incorporation Procedures

91.206 – Underserved Area Credit Unions – Secondary Capital

91.210 – Foreign Credit Unions

91.1110 – Share and Deposit Guaranty Requirements

91.3001 – Opportunity to Submit Comments on Certain Applications

91.3002 – Conduct of Meetings to Receive Comments

- Approved for publication and comment in the *Texas Register* new rule **91.125** – [Accuracy of Advertising](#) (Click on the link to view the proposed new rule).

Results of Credit Union Commission Meetings (continued)

- Approved for publication and comment in the *Texas Register* proposed amendments to the following sections:

91.101 – [Definitions and Interpretations](#)

91.115 – [Safety at Unmanned Teller Machines](#)

91.202 – [Form of Bylaws; Amendments to Articles of Incorp. & Bylaws](#)

91.205 – [Use of Credit Union Name](#)

91.209 – [Reports and Charges for Late Filing](#)

91.1003 – [Mergers/Consolidations](#)

(Click on the links to view the proposed amendments).

Comments on Proposed Amendments and New Rule

Written comment on the proposed amendments to Rules 91.101, 91.115, 91.202, 91.205, 91.209, and 91.1003 and the proposed new Rule 91.125 should be submitted to the Department as soon as possible. To be considered by the Commission written comments must be received no later than July 31, 2005. Comments should be sent to Kerri T. Galvin, Assistant Commissioner and General Counsel, Credit Union Department, 914 East Anderson Lane, Austin, Texas, 78752-1699 or by e-mail to kerri.galvin@tcud.state.tx.us.

2005 Credit Union Department Satisfaction Questionnaire Results

According to the results of the Department's tenth annual survey, credit unions continue to believe that the Department provides quality service. The questionnaire, which was mailed in March to the presidents of all state-chartered credit unions, serves as a benchmark measurement in areas such as the appropriateness and thoroughness of examination procedures; the professionalism and responsiveness of examination teams; the procedures for processing applications; and solicits opinions on how to improve the quality and efficiency of the services provided by the Department.

Completion of the survey was voluntary and anonymous, and 67% of the presidents responded in 2005. When asked if the Department is providing quality service, 99% percent of the respondents replied affirmatively.

The Department extends its gratitude to all of the credit unions that took the time to complete this year's questionnaire. We sincerely appreciate the input and will use the results in the Department's decision-making process.

Mid-Year Call Reports

The Mid-Year Call Reports were mailed to all credit unions on June 30, 2005. If you do not receive a copy of the program and data diskettes, please call Isabel Velasquez at (512) 837-9236. The call report diskettes must be received in the Department's office or the data transmission files uploaded directly via the internet on or before July 22, 2005. Reports received after that date will be assessed a late fee. Please direct any questions to Isabel Velasquez, Executive Assistant or Robert Baxter, Chief Examiner.

Rule Review

The Department is currently reviewing and considering for re-adoption, revision, or repeal Rules **91.401** (Purchase, Lease or Sale of Fixed Assets), **91.402** (Insurance for Members), **91.403** (Federal Parity Debt Cancellation Products), **91.405** (Records Retention), **91.406** (Credit Union Service Contracts), **91.407** (Electronic Notification), **91.408** (User Fee for Shared Electronic Terminal), **91.409** (Permanent Closing of an Office or Operation), **91.4001** (Authority to Conduct Electronic Operations), **91.4002** (Notice Requirement; Security Review), **91.5001** (Emergency Closing), and **91.5002** (Effect of Closing). 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 for the Department. In addition, the Department invites 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 section, 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?

Written comments regarding these rules should be received no later than **August 22, 2005**. Any comments should be sent to Kerri T. Galvin, Assistant Commissioner and General Counsel, Credit Union Department, 914 East Anderson Lane, Austin, Texas, 78752-1699 or by e-mail to kerri.galvin@tcud.state.tx.us.

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, 2005	Friday, July 15
August, 2005	Friday, August 12
September, 2005	Friday, September 16

HOLIDAY SCHEDULE FOR TCUD

The Department's office will be closed on July 4, 2005, in observance of Independence Day.

Applications Approved

Applications approved since May 31, 2005 include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
<input type="checkbox"/> Field of Membership Change(s) Approved:	
Ward County Teachers CU #1 (Monahans)	See Newsletter No. 03-05
Neighborhood Credit Union (Dallas) (Conditional)	See Newsletter No. 04-05
Credit Union of Texas (Dallas)	See Newsletter No. 04-05
Capitol Credit Union (Austin)	See Newsletter No. 04-05
National 1st Credit Union (San Ysidro, CA)	See Newsletter No. 04-05
<input type="checkbox"/> Articles of Incorporation Change(s) Approved:	
BP Employees Credit Union (Alvin)	See Newsletter No. 04-05
<input type="checkbox"/> Merger or Consolidation Change(s) Approved:	
KGR Credit Union with Neighborhood CU	See Newsletter No. 03-05

Applications Received

The following applications were received and published in the June 24, 2005 issue of the *Texas Register*.

- Articles of Incorporation Change(s):
 - Medical Community Credit Union** (Odessa) -- The credit union is proposing to change its name to First Basin Credit Union.

Applications Received (continued)

□ Merger or Consolidation Change(s):

An application was received from **Procter & Gamble Texas Employees Credit Union** (Dallas) seeking approval to merge with **Texas Federal Credit Union** (Dallas), 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.

□ Field of Membership Expansion(s):

The Education Credit Union (Amarillo) – To permit members of Amarillo Independent School District (AISD) Council of PTA's and the individual members of the PTA organizations at Austin Middle School, Bonham Middle School, Bowie Middle School, Crocket Middle School, Fannin Middle School, Sam Houston Middle School, Horace Mann Middle School, Travis Middle School, Avondale Elementary School, Belmar Elementary School, Bivins Elementary School, Carver Elementary Academy, Carver Early Childhood, Coronado Elementary School, Eastridge Elementary School, Emerson Elementary School, Forest Hill Elementary School, Glenwood Elementary School, Hamlet Elementary School, Humphrey's Highland Elementary School, Lamar Elementary School, Alice Landergin Elementary School, Lawndale Elementary School, Robert Lee Elementary School, Mesa Verde Elementary School, Oak Dale Elementary School, Olsen Park Elementary School, Paramount Terrace Elementary School, Pleasant Valley Elementary School, Puckett Elementary School, Ridgecrest Elementary School, Rogers Elementary School, Sanborn Elementary School, San Jacinto Elementary School, Sleepy Hollow Elementary School, South Georgia Elementary School, South Lawn Elementary School, Sunrise Elementary School, Western Plateau Elementary School, Whittier Elementary School, Wills Elementary School, Windsor Elementary School, Wolfin Elementary School, Woodlands Elementary School, 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.