

# Credit Union Department



## NEWSLETTER

No. 08-04

[www.tcred.state.tx.us](http://www.tcred.state.tx.us)

August 31, 2004

### Notice of Legislative Advisory Committee Meeting

The Commission's Legislative Advisory Committee is scheduled to meet on Friday, September 17, 2004, at 9:00 a.m. in Austin at the offices of the Department. [A copy of the draft agenda is attached.](#)

### Check 21 Act

The Federal Reserve Board has released [final amendments](#) to Regulation CC and its commentary to implement the Check Clearing for the 21st Century Act (Check 21 Act), which was enacted on October 28, 2003, and becomes effective on October 28, 2004. These amendments set forth the requirements of the Check 21 Act that apply to credit unions, a model consumer awareness disclosure and other model notices, and endorsement and identification requirements for substitute checks. The final amendments also clarify some existing provisions of the rule and commentary.

### Operating Fee

On August 31, 2004, the Operating Fee invoices for Fiscal Year 2005 were mailed to all credit unions. All fees must be received on or before **September 30, 2004** to avoid the payment of any penalties. If you did not receive an invoice, please contact Isabel Velasquez at (512) 837-9236.

### Website Security Review

Credit unions with transactional web sites are required to perform a review of the adequacy of its web site's security measures at least once every two years (Rule 91.4002). A credit union must have this review performed regardless of whether the technology platform is operated in-house or by a third-party service provider. If the credit union outsources the platform, it can rely upon testing performed for the service provider to the extent that it satisfies the scope of the rule requirements. The scope must cover the adequacy of physical and logical protection against unauthorized access including individual penetration attempts, denial of service, and other forms of electronic access. The reviewer should document the findings and critique the effectiveness of security policies and controls and confirm, with reasonable certainty, that unauthorized data and network access or access attempts will be detected and recorded.

### Holiday Schedule for Department

The Department's office will be closed on September 6, 2004, in observance of Labor Day.

### **Mortgage Disclosure Reporting Requirement**

The Federal Reserve Board's Regulation C requires certain credit unions to submit an annual report of their mortgage-related lending activity. The Home Mortgage Disclosure Act (HMDA) Report must be filed by credit unions if they meet all three of the following criteria:

- 1) Total assets greater than \$33 million as of December 31, 2003;
- 2) A home or branch office in a Metropolitan Area (MA) on December 31, 2003; and
- 3) Originated at least one home purchase loan or refinancing of a home purchase loan secured by a first lien on a one-to-four family dwelling.

The filing deadline for the 2004 HMDA report is March 1, 2005. However, the mortgage lending data on the Loan Application Register must be updated at least quarterly. Additional information on the HMDA reporting requirements may be obtained at the FFIEC website at [www.ffiec.gov/hmda](http://www.ffiec.gov/hmda).

### **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, 2004	Friday, September 10
October, 2004	Friday, October 15
November, 2004	Friday, November 12

### **APPLICATIONS APPROVED**

Applications approved since July 31, 2004 include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
Field of Membership Change(s) Approved:	
<b>EDS Credit Union</b> (Plano)	See Newsletter No. 07-04
<b>Superior Credit Union</b> (Brownwood)	See Newsletter No. 07-04
<b>Tarrant County Credit Union</b> (Fort Worth)	See Newsletter No. 07-04
<b>Medical Community Credit Union</b> (Odessa) (#1 & #2)	See Newsletter No. 07-04
Field of Membership Change(s) Approved (Conditional):	
<b>Fort Worth Community Credit Union</b> (Bedford)	See Newsletter No. 07-04
Articles of Incorporation Change(s) Approved:	
<b>Superior Credit Union</b> (Brownwood)	See Newsletter No. 07-04

## **APPLICATIONS RECEIVED**

The following applications were received and published in the August 27, 2004 issue of the Texas Register.

Field of Membership Expansion(s):

**Dresser Central Credit Union** (Houston) – To permit persons who live in, work in, attend school in or worship in, and businesses located in Harris County, Texas, to be eligible for membership in the credit union.

**First Financial Community Credit Union** (Brownsville) – To permit persons who live, work, worship, attend school, and all businesses in Hidalgo County, Texas, to be eligible for membership in the credit union.

**Members Choice Credit Union** (Houston) -- To permit individuals who live, work, attend school or businesses within a 10-mile radius of the following branches of Members Choice Credit Union: 14960 Park Row Blvd., Houston 77084; 917 S. Mason Road, Katy 77450; 521 W. Grand Parkway South, Katy 77494; 3770 N. Fry Road, Katy 77449, to be eligible for membership in the credit union.

**Texans Credit Union** (Richardson) -- To permit persons who live, work or attend school within a 10-mile radius of the Texans Credit Union branch located at 6000 Connection Dr., Irving, 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.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.

Merger(s) or Consolidation(s) Changes:

An application was received from **Texas Dow Employees Credit Union** (Lake Jackson) seeking approval to merge with **Texas Crossroads Federal Credit Union** (Victoria) with Texas Dow Employees Credit Union being the surviving credit union.

An application was received from **TEX-US Credit Union** (Port Neches) seeking approval to merge with **Mobiloil Federal Credit Union** (Beaumont) 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.