



Newsletter

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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.*

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:

Thomas F. Butler, Chair
Manuel Cavazos IV, Vice Chair
Gary L. Janacek
Dale E. Kimble
Sherri B. Merket
Allyson Morrow
Rob Kyker
Gary D. Tuma
A. John Yogerst

Next Commission Meeting

Friday, February 17, 2012 beginning at 8:00 a.m. in the offices of CUD.

New Publication Date

Beginning with this issue, the Department's Newsletter will be published twelve times per year, on the **third Wednesday of each month**. The change in publication dates will provide more timely coverage, as well as giving credit unions more lead time for future requirements and deadlines.



NMLS Annual Conference

The Nationwide Mortgage Licensing System & Registry (NMLS) is conducting the fourth annual NMLS Conference & Training for industry system users and other interested parties. Designed for both new and experienced users, the Conference provides an important exchange of information among system users on issues that affect their organization's use of NMLS. The [2012 Conference](#) will be held at the DoubleTree Paradise Valley, Scottsdale, Arizona beginning on February 6.



Notice of Rules Committee Meeting

The Rules Committee will hold its meeting in Austin on **Thursday, February 16, 2012, at 1:00 p.m.**, at the offices of the Credit Union Department. The draft agenda is available on the CUD website for your convenience.



Notice of Regular Commission Meeting

The Credit Union Commission will hold its regular meeting on **Friday, February 17, 2012, at 8:00 a.m.**, in the conference room of the Department. The draft agenda is available on the CUD website for your convenience.



Finance Commission Adopts Rules on Payoff Statements

At its meeting on December 16, 2011, the Finance Commission adopted rules implementing HB 558, which added Section 343.106 to the Finance Code. The new provision governs home loan payoff statements and requires lenders or mortgage servicers to provide payoffs within eight business days after they receive a request from a title company. The new rules are found in [7 TAC Chapter 155](#) and provide a payoff statement form. The rules are effective 90 days after adoption.

Although Section 124.005 of the Finance Code generally exempts credit union loans from Chapter 343, credit unions are encouraged to comply with payoff requests from title companies pursuant to the statute and the recently adopted rules.



Loan Diversification Requirement

Commission Rule 91.701 requires that a credit union's loan policy address loan portfolio diversification standards in order to avoid undue concentrations of risk. The extent of an appropriate diversification plan depends on the size, complexity and financial condition of the credit union. However, at a minimum, the policy should include permissible concentration limits for higher risk obligations such as member business loans, unsecured credit, long-term mortgage obligations, and subprime lending activity. In order to ensure the lending limits are consistent with the financial strength of the credit union, the diversification standards for each loan category should normally be specified as a percentage of the credit union's net worth rather than a percentage of total loans or assets.



Share Insurance Advertising Statement

Federally-insured credit unions are required to include the NCUA's official advertising statement in advertisements and on their website. Subject to limited exceptions, Part 740.5 of the NCUA's Rules and Regulations specifies that a credit union's advertisements and the home page of the website must include the statement "This credit union is federally insured by the National Credit Union Administration". The rule requires that the statement be in a size and print that is clearly legible. The statement must also be included prominently on annual reports or other statements of condition required to be published by law.



Publication Deadlines

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>
February, 2012	Friday, February 10
March, 2012	Friday, March 16

Applications Approved

Applications approved since December 31, 2011 include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
<i>Field of Membership Changes – Denied:</i>	
Texas Bay Area Credit Union (Houston)	See Newsletter No. 09-11
YOUR Community Credit Union (#1) (Irving)	See Newsletter No. 10-11
<i>Field of Membership Change – Closed:</i>	
Anheuser-Busch Employees’ Credit Union (St. Louis, MO)	See Newsletter No. 10-11
<i>Merger or Consolidation – Approved:</i>	
Metroplex CU (Carrollton) and Resource One CU (Dallas)	See Newsletter No. 08-11



Applications Received

The following applications were received and will be published in the January 27, 2012 issue of the *Texas Register*.

Field of Membership Expansion:

Texell Credit Union (#1) (Temple) – To permit persons who live, work, worship or attend school within a ten mile radius of 1101 South IH 35, Georgetown, Texas, to be eligible for membership in the credit union.

Texell Credit Union (#2) (Temple) – To permit persons who live, work, worship or attend school within a ten mile radius of 651 North Highway 183, Leander, Texas, to be eligible for membership in the credit union.

Texell Credit Union (#3) (Temple) – To permit persons who live, work, worship or attend school in Williamson County, 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.cud.texas.gov/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 Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.



Upcoming Holiday Schedule for CUD

The Department's office will be closed on **February 20, 2012** in observance of President's Day.

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*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.*

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

