



Newsletter

No. 05-21



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The Credit Union Department (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:

- Yusuf E. Farran, Chair
- Sherri Brannon Merket, Vice Chair
- Elizabeth L. "Liz" Bayless
- Karyn C. Brownlee
- Beckie Stockstill Cobb
- Steven "Steve" Gilman
- Jim Minge
- David F. Shurtz
- Kay Rankin-Swan

Next Commission Meeting

Friday, June 4, 2021 beginning at 9:00 a.m. in the offices of CUD.

2021 Annual Credit Union Survey

We would like to thank each of you that participated in the 2021 Annual Survey. The feedback we received from credit unions is valuable, and the Department is committed to continually enhancing its examination and regulatory oversight whenever possible. We are pleased by the positive comments we received and continue to strive to be an effective and efficient regulator.

We appreciate all of the views expressed and would like to encourage you to provide additional comments or suggestions throughout the year. The agency relies on your feedback to identify concerns. Your thoughtful comments contribute to the success of our agency.



Upcoming Regular Commission Meeting

The Credit Union Commission will hold its Regular meeting on **Friday, June 4, 2021, at 9:00 a.m.**, in the Department's conference room. The meeting packet will be available on the CUD website by May 24.



Upcoming Holiday Schedule for CUD

The Department's Office will be closed on **Monday, May 31st** in observance of Memorial Day.



Credit Unions Reminded to Monitor Cybersecurity Risk Profile

Texas chartered credit unions are reminded of the importance of managing information technology resources and maintaining a strong cybersecurity risk assessment program. Such a program includes an appropriate assessment of the institutions systems, the inherent risks those systems represent, and the maturity of risk management and oversight systems built to mitigate the inherent risk. This assessment should be customized to represent the individual characteristics of each institution, but examples exist that can provide assistance in assessment development. One example federal and state depository regulators created is called the Cybersecurity Assessment Tool. This tool can be found at the [Federal Financial Institutions Examination Council website](#).

A strong program also includes staying updated on changes in the regulatory framework around cybersecurity. The National Credit Union Administration has created a [Cybersecurity Resource website](#) which provides examination guidance; links to the FFIEC assessment tool, other FFIEC Information Technology guidance and additional resources.

Finally it is important to keep updated on national trends reported by the federal [Cybersecurity & Infrastructure Security Agency \(CISA\)](#). While their website contains a number of additional resources on cybersecurity, they also deal broadly with infrastructure security, emergency communications and national risk management. Further, the website is constantly updated on the latest cybersecurity weaknesses noted at the national level. I highly recommend qualified staff responsible for information security at each institution subscribe to their email publications to ensure they are notified of the latest challenges identified at the national level and to assist in coordinating this information whenever possible. A link to the subscription sign up website can be found [here](#).

A host of other resources are also available, but the links above should assist institutions to monitor the fast paced world of cybersecurity.



CFPB Moves QM Final Rule Compliance date to October 2022

Compliance with a final rule on “qualified mortgages” (QM) is delayed to Oct. 1, 2022, the CFPB said this week, asserting that the pause would allow lenders more time to offer the loans based on homeowners’ debt-to-income (DTI) ratios, and not only on certain pricing thresholds.

The delay, which changes the mandatory compliance date from July 1 of this year to the Oct. 1 date of next year, is part of a final rule the CFPB is calling the “April 2021 Amendments to the ATR/QM Rule.” ATR stands for “ability to repay.”

In a release, the bureau said the action was taken to “help ensure access to responsible, affordable mortgage credit, and preserve flexibility for consumers affected by the COVID-19 pandemic and its economic effects.”

CFPB Moves QM Final Rule Compliance date to October 2022 **(Continued)**

The bureau also asserted that delaying the QM compliance date by more than a year would give lenders more time to use the Government-Sponsored Enterprise (GSE) Patch, which has also been extended to Oct. 1 of next year – or until the date that the applicable GSE exits conservatorship, whichever comes first. The agency said the GSE patch provides QM status to loans that are eligible for sale to GSE mortgage companies Fannie Mae or Freddie Mac. “The availability of the GSE Patch after July 1, 2021 may be limited by recent revisions to the Preferred Stock Purchase Agreements entered into by the Department of the Treasury and the Federal Housing Finance Agency,” the bureau noted.

According to an executive summary of its final rule issued Tuesday, the CFPB said that while the April 2021 final rule extends the general QM final rule’s mandatory compliance date, the effective date of the QM rule remains March 1, 2021.

The summary notes that for mortgage applications on the effective date (or after) – but before the new mandatory compliance date of Oct. 1, 2022 – lenders have the option of complying with either the revised, price-based general QM loan definition or the original, total monthly DTI-based general QM loan definition.

Only the revised, price-based general QM loan definition is available for applications received on or after the October 1, 2022 mandatory compliance date, the summary states.

LINK:

[Qualified Mortgage Definition under the Truth in Lending Act \(Regulation Z\): General QM Loan Definition; Delay of Mandatory Compliance Date](#)



Registration Now Open for NCUA, CISA Cybersecurity Webinar

The National Credit Union Administration will host a webinar on Wednesday, May 26, to provide credit unions with important information about protecting their organizations and their members from cyberattacks.

[Online registration](#) for the webinar, “Critical Security Controls and Cyber Hygiene,” is open now. The webinar is scheduled to begin at 2 p.m. Eastern and will run for approximately 60 minutes. Participants will be able to log into the webinar and view it on their computers or mobile devices using the registration link and should allow pop-ups from this website to ensure easier access to the webinar.

[View the entire press release](#)



Federal Financial Regulators to Hold Webinar on Emergency Capital Investment Program

The Texas Credit Union Department encourages credit unions interested in learning more about the Treasury Department’s Emergency Capital Investment Program to join an “Ask the Regulators” webinar hosted by NCUA and other federal financial regulators.

The 75-minute webinar, “An Overview of the Emergency Capital Investment Program,” will take place on Monday, May 24, beginning at 3 p.m. Eastern.

Registration for the webinar is now open online. Participants may submit questions in advance by email at asktheregulators@stls.frb.org. Questions submitted by May 18 will receive priority.

Eligible credit unions interested in applying for the Emergency Capital Investment Program now have until July 6 to submit their applications.

Under the Emergency Capital Investment Program, Treasury will provide up to \$9 billion in capital directly to depository institutions that are certified Community Development Financial Institutions or minority depository institutions. This funding may be used to provide loans, grants, and forbearance for small businesses, minority-owned businesses, and consumers—especially those in low-income and underserved communities—that may be disproportionately impacted by the economic effects of the COVID-19 pandemic.

Treasury will set aside \$2 billion for CDFIs and MDIs with less than \$500 million in assets and an additional \$2 billion for CDFIs and MDIs with less than \$2 billion.



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 shown 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>
June 2021	Friday, June 11
July 2021	Friday, July 16



Applications Approved

Applications approved since April 21, 2021 include:

Credit Union

Changes or Groups Added

Articles of Incorporation Change - Approved:

Cabot & NOI Employees Credit Union (Pampa)

[See Newsletter No. 03-21](#)

Applications Received

The following application was received and will be published in the **May 28, 2021** issue of the *Texas Register*.

Field of Membership

MemberSource Credit Union #1 (Houston) – Persons who live, work, worship, or attend school in and businesses located in Harris County, Texas, to be eligible for membership in the credit union.

MemberSource Credit Union #2 (Houston) – Persons who live, work, worship, or attend school in and businesses located in Montgomery County, Texas, to be eligible for membership in the credit union.

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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

