



Newsletter

No. 11-18



November 15, 2018



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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:

Allyson "Missy" Morrow, Chair
Sherri Brannon Merket, Vice Chair
Elizabeth L. "Liz" Bayless
Beckie Stockstill Cobb
Yusuf E. Farran
Steven "Steve" Gilman
Jim Minge
Kay Stewart
Rick Ybarra

Next Commission Meeting

Friday, March 8, 2019 beginning at 9:00 a.m. in the offices of CUD.

A Word of Thanks to the Credit Unions of Texas

With the conclusion of my tenure as Credit Union Commissioner quickly approaching, I wanted to extend my deepest appreciation and personal gratitude for the cordial working relationship that we shared and the immense support that you have all provided during my time with the Department. It has been amazing interacting and knowing some of the finest and most talented people in the Credit Union Movement and I want to express my thanks to each and every one of you for touching my life the way you have.

As one would expect, we did not always agree; however, our disagreements were never personal, and we always had the same ideal, which was to ensure the credit unions in Texas were operating in a safe and sound manner. Unfortunately, there are some people that think a regulator and the entities being regulated should have an adversarial relationship; however, I have never shared this opinion and frankly, do not even understand this mind set since we should be striving to achieve the same goal. Again, thank you for your friendly, yet professional and cooperative working relationship over the past two decades.

As I bid you goodbye and wish you great success in your future endeavors, let me leave you with this quote:

"I've heard it said that people come into our lives for a reason ... by bringing something we must learn. We are led to those who help us grow and, in return, we help them grow."

This has never been more true for me.

Thank you!

HAROLD E. FEENEY



Proposed Rule Review

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).

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 [cudmail@cud.texas.gov](mailto:cudmail@ cud.texas.gov). The deadline for comments is **December 17, 2018**.

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.



Sharing Resources to Improve Efficiency and Effectiveness of BSA Compliance

The federal financial institutions regulatory agencies and the U.S. Department of Treasury's Financial Crimes Enforcement Network (FinCEN) have recently published an [Interagency Statement on Sharing Bank Secrecy Act Resources](#) that addresses instances when certain credit unions may decide to enter into a collaborative arrangement to share resources to manage BSA/AML obligations more effectively and efficiently. The statement discusses the exercising of due diligence through careful consideration of the benefits and risks of such an agreement.

Sharing Resources to Improve Efficiency and Effectiveness of BSA Compliance (Continued)

Collaborative arrangements as described in this statement are generally more suitable for financial institutions with a community focus, less complex operations, and lower-risk profiles for money laundering or terrorist financing. The risk profile is institution-specific and should be based on a risk assessment that properly considers all risk areas, including products, services, members, and geographic locations.



FFIEC Launches New BSA/AML InfoBase

The Federal Financial Institutions Examination Council (FFIEC) has launched a redesigned [Bank Secrecy Act/Anti-Money Laundering \(BSA/AML\) InfoBase](#) website, which provides access to BSA/AML examination procedures by examiners, financial institutions, the public, and other stakeholders.

The FFIEC BSA/AML InfoBase was redesigned to improve the overall experience for users. The redesign improves site navigation, enhances search capabilities, provides mobile-friendly capability, and contains new functionality that allows users to download various sections of the FFIEC BSA/AML Examination Manual.



Upcoming Holiday Schedule for CUD

The Department's office will be closed on **November 22-23, 2018** in observance of Thanksgiving.



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>
December 2018	Friday, December 14
January 2019	Friday, January 11



Applications Approved

Applications approved since **October 17, 2018** include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
<i>Field of Membership Change – Approved:</i>	
Alliance Credit Union (Lubbock) (Amended) Persons who live, work, attend school, or worship in and businesses and Other legal entities in Lamb, Hale, Floyd, Crosby, Garza, Lynn and Terry, Counties, Texas.	<u>See Newsletter No. 08-18</u>
Texas Dow Employees Credit Union #1 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #2 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #3 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #4 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #5 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #6 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #7 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #8 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #9 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #10 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #11 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #12 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
Texas Dow Employees Credit Union #13 (Lake Jackson)	<u>See Newsletter No. 08-15</u>
LibertyOne Credit Union (Arlington)	<u>See Newsletter No. 09-19</u>

Field of Membership Change – Terminated:

FivePoint Credit Union (Nederland) [See Newsletter No. 04-18](#)

Merger or Consolidation – Approved:

Dallas Federal CU (Dallas) and **Neighborhood CU** [See Newsletter No. 05-18](#)

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## ***Applications Received***

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The following application was received and will be published in the **November 30, 2018** issue of the *Texas Register*.

Field of Membership Expansion:

**United Heritage Credit Union** (Austin) – Voting members and employees of the Texas Consumer Council who reside in Texas.

*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

