



Newsletter

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Credit Union Department

914 East Anderson Lane
Austin, Texas 78752

Phone: 512-837-9236

Fax: 512-832-0278

Email: [cudmail@cud.texas.gov](mailto:cudmail@ cud.texas.gov)

Web Site: www.cud.texas.gov

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:

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

Next Commission Meeting

Friday, September 16, 2022 beginning at 9:00 a.m. in the offices of CUD.

CISA Warns Orgs to Switch to Exchange Online Modern Authentication

CISA has urged government agencies and private sector organizations using Microsoft's Exchange cloud email platform to expedite the switch from Basic Authentication legacy authentication methods without multifactor authentication (MFA) support to Modern Authentication alternatives.

Basic Auth (proxy authentication) is an HTTP-based auth scheme used by apps to send credentials in plain text to servers, endpoints, or online services.

The alternative, Modern Auth (Active Directory Authentication Library and OAuth 2.0 token-based authentication), uses OAuth access tokens with a limited lifetime that cannot be re-used to authenticate on other resources besides those they were issued.

Apps using Basic Auth allow attackers to guess credentials in password spray attacks or capture them in man-in-the-middle attacks over TLS. Further, when using basic auth, multifactor authentication (MFA) is quite complicated to enable, and therefore it often isn't utilized.

Federal Civilian Executive Branch (FCEB) agencies were also advised to block Basic auth after migrating to Modern Auth, which, according to Microsoft, will make it harder for threat actors to pull off successful password spray and credential stuffing attacks.

According to CISA's [guidance](#), this can be done either by creating an authentication policy for all Exchange Online mailboxes from M365 Admin Center's Modern Auth Page ([details here](#)) or a Conditional Access policy in Azure Active Directory (AAD) using the AAD Admin Center ([instructions here](#)).

CISA Warns Orgs to Switch to Exchange Online Modern Authentication (Continued)

CISA's warning comes after Microsoft also reminded customers in May that it will begin disabling Basic Authentication in random tenants worldwide starting with October 1, 2022.

Microsoft first announced that it would disable Basic Auth in Exchange Online for all protocols in all tenants in September 2021.

"We've disabled Basic Auth in millions of tenants that weren't using it, and we're currently disabling unused protocols within tenants that still use it, but every day your tenant has Basic Auth enabled, you are at risk from attack," the company said.

Redmond plans to disable Basic Auth for the MAPI, RPC, Offline Address Book (OAB), Exchange Web Services (EWS), POP, IMAP, and Remote PowerShell protocols.

While SMTP AUTH has already been disabled in millions of tenants that weren't using it, Microsoft said it will not disable it where it's still in use.



Proposed Rule Review

The Texas Credit Union Commission (Commission) will review and consider for re-adoption, revision, or repeal, **Chapter 91, Subchapter E**, concerning direction of affairs, consisting of §§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), and 91.516 (Audits and Verifications).

The Commission will review and consider for re-adoption, revision, or repeal, **Chapter 91, Subchapter F**, concerning accounts and services, consisting of §§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.

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?

Proposed Rule Review (Continued)

- Do the rules contain technical language or jargon that is not 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 the final adoption by the Commission.



CISA Sponsored Incident Response Training

CISA has developed no-cost cybersecurity incident response (IR) training for government employees and contractors across Federal, State, Local, Tribal, and Territorial government, and is open to educational and critical infrastructure partners.

The incident response curriculum provides a range of training offerings for beginner and intermediate cyber professionals encompassing basic cybersecurity awareness and best practices for organizations and hands-on cyber range training courses for incident response. Course types include: Awareness Webinars and Cyber Range Training. These courses provide valuable learning opportunities for everyone from cyber newbies to veteran cybersecurity engineers. Sign up for the 2022 IR training offerings via the Registration section below. If you cannot join a training, you can view recorded webinars from 2021 on the CISA YouTube Channel [Protect Your Network: Strengthen Your Cybersecurity with Our Incident Response Training Playlist](#).

To learn more about how CISA may assist potentially impacted entities after a cyber incident, visit the [Cyber Incident Response](#) page.



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>
August 2022	Friday, August 12
September 2022	Friday, September 16



Applications Approved

Applications approved since June 15, 2022.

Credit Union

Changes or Groups Added

Articles of Incorporation - Approved

An application was received from American Baptist Credit Union (Rosharon) to amend its Articles of Incorporation relating to principal place of business. [See Newsletter No. 05-22](#)

Merger or Consolidation - Approved

First Service CU (Houston) and People's Trust FCU (Houston)

[See Newsletter No. 12-21](#)

East Texas Professional CU (Longview) and North East Texas CU (Lone Star)

[See Newsletter No. 01-22](#)

Applications Received

The following applications were received and will be published in the **July 29, 2022** issue of the *Texas Register*.

Field of Membership

Energy Capital Credit Union (Houston) – Persons who live, work, worship or attend school or businesses and other legal entities located with Harris, Montgomery, Liberty, Walker, Grimes, San Jacinto, Brazoria, Fort Bend, Wharton, Austin and Waller Counties, Texas, to be eligible for membership in the credit union.

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

