

DATE: June 15, 2020
BULLETIN: 2020-KDCU-CUB-12
TO: Kansas Chartered Credit Unions
SUBJECT: Regulatory Guidance

REGULATORY GUIDANCE

Regulatory agencies continue to provide information for financial institutions as we begin the road to a “new normal.” For the most recent information on the State of Kansas reopening, review the [Ad Astra](#) plan. Credit unions may also want to review the [Executive Orders](#) issued by Governor Laura Kelly.

Credit union management should be aware Executive Order 20-06, issued on March 17, 2020, temporarily suspending the initiation of any mortgage foreclosure efforts or judicial proceedings and any commercial or residential eviction or judicial proceedings, expired on May 1, 2020, and has not been renewed.

On June 3, 2020, the Consumer Financial Protection Bureau (CFPB) issued a [“Statement on Supervisory and Enforcement Practices Regarding Electronic Credit Card Disclosures in Light of the COVID-19 Pandemic.”](#) The CFPB is providing temporary and targeted flexibility for credit card issuers regarding electronic provision of certain disclosures required to be in writing. The intent is to facilitate issuers’ ability to quickly assist consumers who need relief. The CFPB will expect issuers to obtain the consumer’s oral consent to electronic delivery, oral affirmation of the ability to access the disclosures and verify the email address.

The National Credit Union Administration (NCUA), on June 5, 2020, issued [Letter to Credit Unions No. 20-CU-18](#). This letter referenced a previous administrative order providing additional regulatory relief measures related to the NCUA’s prompt correction action (PCA) regulations anticipating that credit unions may experience a temporary reduction in earnings and capital due to their COVID-19 response efforts. The order reduces the amount of earnings retention required for credit unions classified as adequately capitalized to zero. An adequately capitalized credit union that is unable to meet the earnings retention requirement will not have to submit a written application requesting approval to decrease its earnings retention amount. This relief will remain in effect until December 31, 2020.

If you need additional information on cleaning and disinfecting your locations, check out the Centers for Disease Control and Prevention (CDC) [guidance](#).

Want more [“links”](#) of the outdoor kind?

NOTE: As the State of Kansas continues the transition to a post-coronavirus environment, KDCU examination staff will continue to work remotely until further notice. This is being done in coordination with the NCUA.