



NCUA
National Credit Union Administration

NCUA's COVID-19 Response

March 31, 2020

Chairman Rodney E. Hood

OPENING REMARKS



Coronavirus Aid, Relief, and Economic Security Act

(The CARES Act)

- 1. Central Liquidity Facility**
- 2. Insured Deposits Threshold**
- 3. Temporary Relief from Troubled Debt Restructurings**
- 4. Optional Temporary Relief from Current Expected Credit Losses (CECL)**
- 5. Paycheck Protection Program**
- 6. Credit Protection during COVID-19**
- 7. Foreclosure Moratorium on Single Family Mortgages and Consumer Right to Request Forbearance**
- 8. Forbearance of Residential Mortgage Loan Payments for Multi-Family Properties with Federally Backed Loans.**
- 9. Temporary Moratorium on Eviction Filings**
- 10. Economic Stabilization through Loans, Loan Guarantees, and Other Investments**

Small-Dollar Lending

Letter to Credit Unions 20-CU-04

- **Interagency Statement – Encourages responsible small-dollar lending to financially affected members**
 - Make appropriate products and terms available
 - Include appropriate consumer protections
 - Applies to small business members
- **PALs I and II loans by federal credit unions**

Central Liquidity Facility Changes

- **NCUA considering actions to streamline access; making it is easier to join and easier to borrow**
- **Potential collateralization requirement changes**
- **Corporate credit unions as Agent Borrowers**



Industry Guidance & Relief

- **Appraisals meet NCUA requirements if they comply with Uniform Standards of Professional Appraisal Practice (USPAP)**
 - USPAP does not require an interior, onsite assessment if not deemed necessary by the appraiser
- **Supervisory Committee Audits**
 - Audit delivery timeframes were relaxed in September 2019 to remove strict delivery date
- **Streamlined Net Worth Restoration Plans**



Exam Posture

- **Priority 1 – Credit Unions Experiencing Problems**
- **Priority 2 – Contacting All Credit Unions**
- **Priority 3 – Offsite Examination Work**
 - Credit unions are not required to provide information to facilitate offsite examination work, except for serious and time-sensitive matters

Community Development Revolving Loan Funds



Grants and Loans

- Appropriated funds of \$1.5 million
- Low-Income Designated Credit Unions are eligible for CDRLF grants and loans
- CDRLF grants are reimbursable grants, the grant initiative must be implemented and receipts submitted to NCUA to receive grant funds

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CLOSING REMARKS



Resources

- **NCUA's COVID Response**

- <https://www.ncua.gov/coronavirus>

- COVID-19 Resources including Frequently Asked Questions, Letters to Credit Unions and Announcements related to COVID-19

- **CURE Resources**

- <https://www.ncua.gov/support-services/credit-union-resources-expansion>

- Grants and Loans, NCUA's COVID-19 Emergency Fund Guidelines
- CDFI Resources, NCUA's Program Guide
- Learning
 - The Benefits of CDFI Certification
 - CDFI Certification: Serving the Underserved

- **CLF Resources**

- <https://www.ncua.gov/support-services/central-liquidity-facility>

Resources

- **Small Business Administration**
 - www.sba.gov/funding-programs/disaster-assistance
- **The Department of Labor**
 - <https://www.dol.gov/coronavirus>
- **IRS**
 - <https://www.irs.gov/coronavirus>
- **FRB Services**
 - <https://www.frbervices.org/resources/central-bank/faq/reserve-account-admin-app.html>
- **CDFI Fund**
 - www.cdfifund.gov

Contact Page

Feel free to contact us with questions or comments.

COVID19Questions@ncua.gov



APPENDIX



COVID-19 Grant and Loan Funds

- NCUA allocated approximately \$800,000 in grants and \$4 million in loans to support COVID-19 response efforts of low-income designated credit unions
 - COVID-19 Grants – Up to \$10,000
 - COVID-19 Loans – Up to \$250,000, zero percent, and three year balloon note
- **Critical Dates:**
 - March 27, 2020 – The grant round opened at 9 a.m. Eastern Time (ET). The NCUA will notify approved applicants on a rolling basis.
 - May 22, 2020 – All applications must be submitted by 11:59 p.m. ET.
 - July 31, 2020 – Grant round closes.

CDFI Streamlined Certification

- **Community Development Financial Institutions (CDFI) Streamline Application**
 - MOU between US Treasury's CDFI Fund and the NCUA
 - Uses NCUA data to determine whether a credit union qualifies to use the streamlined application
 - CDFI Fund makes the final determination
- **Intake Rounds**
 - Sunday, March 29 - Saturday, May 31
 - Sunday, September 13 - Saturday, October 17
- **Once CDFI certified, the credit union is eligible for technical assistance and grant funds**

