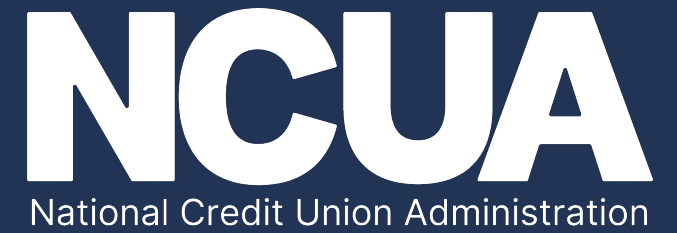


# Regulatory Update

---

June 24, 2026

Office of Examination & Insurance



# 2026 Regulatory Update

---



## Scale

NCUA implemented a multi-year Deregulation Project, advancing **more than 50 rulemaking, guidance, and policy actions** across the agency.



## Breadth

Regulatory priorities span **payment stablecoins, BSA/AML, mortgage access, supervisory modernization, and consumer protection initiatives.**



## Coordination

Significant collaboration with **FinCEN, FDIC, OCC, SEC, FFIEC, OMB, and other federal partners** to promote consistency and support implementation.



## Balance

NCUA remains focused on **reducing unnecessary burden** while **maintaining safety and soundness, protecting member-owners,** and **supporting Administration and Congressional priorities.**

# Deregulation Project Overview

## Purpose

- Initiated in response to EO 14192, ***Unleashing Prosperity Through Deregulation***
- Multi-year effort to review, modernize, and streamline NCUA's regulations

## Phase One (2025-2027)

- **Focus:** Obsolete, duplicative, overly burdensome, or guidance-suitable requirements

### Current Status

- 31 proposed rules issued
- 29 NPRMs under review
- 2 NPRMs open for comment

## Phase Two (2027+)

- **Focus:** More complex rulemakings with broader policy or operational implications

## PROJECT TIMELINE



# Phase One Rulemaking Examples

Rule	Concern Addressed	Key Changes
<b>§ 740.5, Accuracy of Advertising</b>	Overly Prescriptive & Outdated	<ul style="list-style-type: none"> <li>▪ <b>Modernizes Requirements:</b> Removes prescriptive requirements that do not align with modern advertising practices</li> <li>▪ <b>Preserves Protections:</b> Retains disclosures at key transaction points when opening accounts and depositing funds</li> </ul>
<b>§ 701.4(b)(3), Post Election Training for New Board Members</b>	Overly Prescriptive	<ul style="list-style-type: none"> <li>▪ <b>Reduces Subjectivity:</b> Removes prescriptive and subjective knowledge requirements for directors</li> <li>▪ <b>Preserves Member Governance:</b> Members remain best positioned to elect qualified board members based on credit union's policies</li> </ul>
<b>§ 701.31, Nondiscrimination Requirements</b>	Duplicative Requirements & Outdated	<ul style="list-style-type: none"> <li>▪ <b>Eliminates Duplication:</b> Removes reference to requirements that have become outdated as laws and other regulations have been updated</li> <li>▪ <b>Preserves Safeguards:</b> Credit unions remain subject to nondiscrimination requirements under existing laws and regulations</li> </ul>
<b>§ 701.21(h), Third Party Servicing of Indirect Vehicle Loans</b>	Overly Prescriptive	<ul style="list-style-type: none"> <li>▪ <b>Provides Flexibility:</b> Removes prescriptive limit on acquiring loans serviced by third parties, allowing for tailored risk management</li> <li>▪ <b>Preserves Statutory Safeguards:</b> Credit unions remain subject to other statutory limitations</li> </ul>

# Other Regulatory Priorities

NCUA continues to advance multiple regulatory initiatives outside of the Deregulation Project. These initiatives span diverse areas of focus and are in varying stages of the rulemaking lifecycle.

## Current Areas of Focus

Area	Representative Actions
<b>GENIUS Act &amp; Stablecoins</b>	GENIUS Act Application Process; Issuer Standards; Customer Identification Program for PPSIs
<b>BSA/AML</b>	Bank Secrecy Act (BSA) and Anti-Money Laundering (AML) Program Rule
<b>Mortgage Access</b>	Executive Order 14393 initiatives (Capital Rules, Appraisal Requirements, and more)
<b>Data Modernization</b>	Decennial Regulatory Review; Call Report Streamlining
<b>Supervision</b>	Uniform Financial Institutions Rating System (UFIRS/CAMELS)
<b>Financial Assistance</b>	2 CFR 6600 – Regulation for Federal Financial Assistance



**Comment Periods Open**





**4 Active Actions**

- **Federal Financial Assistance**  
Closes 7/13/26
- **Implementing GENIUS Act for Issuance of Stablecoins**  
Closes 7/17/26
- **RFI – Uniform Financial Institutions Rating System (UFIRS/CAMELS)**  
Closes 8/17/26
- **Customer Identification Program for PPSIs**  
Closes 8/21/26

# Overview of Recent Final Rules

Rule	Current Status	Comment Letters
Part 701, Federal Credit Union Non-Interest Charges & Fees	Interim Final Rule	<b><u>Closes 7/9/26</u></b>
§ 701.33, Dependent Care & Board Member Expense Reimbursement	Final Rule	<b><u>19</u></b>
Part 749, Records Preservation Program	Final Rule	<b><u>18</u></b>
Parts 702 and 791, Prohibition on the Use of Reputation Risk	Final Rule	<b><u>56</u></b>

## Key Themes

-  **Reduce Unnecessary Burden**  
Reduced burden where appropriate
-  **Preserve Member & Consumer Protections**  
Maintained strong statutory safeguards
-  **Modernize Regulatory Requirements**  
Updated rules to provide flexibility to credit unions and member-owners
-  **Incorporate Stakeholder Feedback**  
Public input informed our final actions

# Recent Final Rules

---

## Federal Credit Union Non-Interest Charges & Fees

Effective June 30, 2026

Provides FCUs additional flexibility regarding non-interest charges and fees

---

### **Explicit Authorization**

Authorizes an FCU to make certain decisions regarding charging non-interest charges and fees

### **Local Decision-Making**

Allows FCUs to make decisions on non-interest charges and fees that best align with their business model

## Dependent Care & Board Member Expense Reimbursement

Effective July 9, 2026

Permits FCUs to reimburse certain dependent care expenses incurred by officials

---

### **Optional**

FCUs are not required to offer this benefit

### **Supports Recruitment**

May help attract and retain qualified officials

# Recent Final Rules

---

## Records Preservation Program

Effective July 16, 2026

Clarifies and establishes the retention requirements for vital records

---

### Removes Guidance

Eliminates appendices often confused with requirements

### Operational Impact

Saves resources on storage and retention expenses  
Better secure Personally Identifiable Information (PII)

### NCUA Listened

Made several changes to the final rule based on commentor feedback

## Prohibition on the Use of Reputation Risk

Effective July 25, 2026

Codifies the elimination of reputation risk from NCUA's supervisory program

---

### Not a Requirement for Credit Unions

Credit unions do not need to change existing practices

### Examination Changes

Reduces subjectivity in examination findings and focuses resources on material financial risks

# Thank You

---



Thank you for your attention.  
We welcome your questions and feedback.

---

**Amanda Parkhill**

*Acting Director, Examination and Insurance*

[ask.ncua.gov](https://ask.ncua.gov)