



**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](http://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](http://www.cdfifund.gov)

# Contact Page

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Feel free to contact us with questions or comments.

[COVID19Questions@ncua.gov](mailto: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**

