

Regulatory Comment: Requirements for Insurance

THE ISSUE:

On May 7, 2026, the National Credit Union Administration (NCUA) Board released a [proposed rule](#) to amend its regulations on requirements for share insurance. If finalized, the rule would eliminate or move several provisions that cite substantive provisions codified elsewhere in the NCUA's regulations.

IMPACT TO CREDIT UNIONS:

This proposed rule follows the Deregulation Project's goal of reducing duplicative regulations. Specifically, it would streamline the NCUA's share insurance regulations by removing duplicative components, in turn meaning credit unions would have fewer sources to check without altering compliance obligations.

KEY POINTS:

- The NCUA is proposing to either remove or transfer regulations primarily from Section 741, Subpart B, which generally do not contain substantive requirements.
- The proposal would not alter the underlying regulatory requirements applicable to credit unions, but instead seeks to improve clarity and usability by consolidating requirements into their operative regulatory sections.

ACTION NEEDED: Deadlines and contacts

Please use the comment link below to respond to America's Credit Unions' survey. This will help shape the discussion and better address your needs in our comment letters.

- Comments due to America's Credit Unions: June 22, 2026 — [Submit here](#)
- Comments due to the NCUA by July 6, 2026
- Questions? Contact [Tyler Maron](#), Regulatory Advocacy Counsel, America's Credit Unions
- Agency contact: Gira Bose, Senior Staff Attorney, Office of General Counsel, at (703)-518-6540



QUESTIONS TO CONSIDER:

1. Do you rely on any of the sections that the NCUA is proposing to remove or transfer? If so, should any of them remain in place?
2. How would the removal or relocation of these cross-referencing provisions affect your ability to quickly identify applicable regulatory requirements?
3. Would pursuing these changes to the provisions actually “make it easier to navigate” the regulatory text, or would it lead to greater confusion/uncertainty where various requirements are located?

BACKGROUND:

Part 741 is divided into two subparts. Subpart A contains substantive requirements that apply to both federal credit unions (FCUs) and federally insured state-chartered credit unions (FISCUs) that are not codified elsewhere in the NCUA's regulations. Subpart B, on the other hand, generally does not contain substantive requirements. Its purpose is to list in a centralized way citations to the substantive provisions that apply to FCUs and FISCUs but are set forth elsewhere in the NCUA's regulations. Before 1995, these requirements were dispersed across the NCUA's regulations and within the terms of an Agreement for Insurance of Accounts, which outlined conditions for state-chartered credit unions obtaining and maintaining federal insurance. In 1995, the agency issued a final rule consolidating the requirements for insurance that apply to FISCUs. Its purpose was merely to aid FISCUs by simplifying the process of determining which regulations they must follow.

SECTION BY SECTION ANALYSIS:

Subpart A

741.1

Section 741.1 of subpart A sets forth the NCUA's examination authority. It specifies that the Board is authorized to examine any insured credit union or any credit union applying for insurance. This authority includes access to all records, reports, and other information concerning the credit union's affairs. The section also notes that the NCUA will use examinations conducted by state regulatory agencies. However, these provisions are statutorily granted functions that do not require additional explanation by regulation.



Subpart B

741.201

Section 741.201 requires any credit union making application for insurance to possess minimum fidelity bond coverage pursuant to the requirements set forth in §§ 713.3, 713.5, and 713.6. The NCUA Board proposes to remove § 741.201 as it is unnecessary. This section also requires a federally insured credit union (FICU) whose fidelity bond coverage has been terminated to notify the appropriate NCUA regional director not less than 35 days prior to the effective date of such termination. This notification requirement does not appear in part 713. Thus, the NCUA proposes to transfer this text to § 713.3 with a new paragraph (c) stating, “A federally insured credit union whose fidelity bond coverage is terminated shall notify the appropriate NCUA regional office in writing not less than 35 days prior to the effective date of such termination.” The NCUA is also proposing to amend § 713.1 to remove that section's reference to § 741.201. Finally, § 741.201 requires corporate credit unions to comply with § 704.18 because part 704 already establishes the rules for federally insured corporate credit unions.

741.205

Section 741.205 informs FISCUs that are newly chartered or in troubled condition that they must comply with subsection 701.14(c) concerning prior notice and the NCUA's review of a proposed change in official or senior executive officers. Section 741.205 also contains references to coordinating with state supervisory authorities. The NCUA argues these references serve the purpose of assuring state regulators of the NCUA's intent to consult with them on these matters. It is therefore proposing to transfer the following text to subsection 701.14(c): “Federally insured state-chartered credit unions must submit required information to both the appropriate NCUA Regional Director and their state supervisor. NCUA will consult with the state supervisor before making its determination. NCUA will notify the state supervisor of its approval/disapproval no later than the time that it notifies the affected individual.”

741.213

Section 741.213 informs FISCUs they must adhere to the rules of practice and procedures for administrative actions and adjudicative hearings in part 747, but it also notes that subpart E of part 747 only applies to FCUs. The NCUA is requesting feedback on its proposed removal of § 741.213 and whether it should incorporate into subpart E of part 747 affirmative statements that (1) subpart E does not apply to FISCUs, and (2) the language that says subpart E controls over subpart A in the event of a conflict only applies to FCUs.

741.218

Section 741.218 informs FISCUs they must adhere to the “applicable provisions in part 709 . . .” It further notes that § 709.3 only applies to FCUs. The NCUA is proposing to remove § 741.218



and requests feedback on this proposal, including whether it should consider amending part 709 to clarify which specific sections of part 709 apply to FISCUs. For example, § 709.3, titled “Challenge to revocation of charter and involuntary liquidation,” refers only to FCUs. However, § 709.0 refers to involuntary liquidation but in the context of FICUs, presenting the scope of part 709 as including “the involuntary liquidation and adjudication of creditor claims in all cases involving FICUs.”

Other Sections

The NCUA listed the following provisions that cross-reference to other provisions and do not contain any substantive information that would be helpful to retain. Consequently, it proposes to remove them:

- Section 741.206 informs any federally insured corporate credit union they must comply with part 704.
- Section 741.207 requires those FISCUs that participate in the community development revolving loan program to adhere to the requirements of part 705.
- Section 741.209 informs FISCUs they must comply with the requirements of part 711 concerning management official interlocks.
- Section 741.210 informs any FICU that is a member of the Central Liquidity Facility that it must comply with the requirements of part 725.
- Section 741.211 refers to the advertising provisions of part 740 that apply to all FICUs.
- Section 741.212 refers to the share insurance provisions of part 745, subparts A and B, that apply to all FICUs.
- Section 741.214 refers to compliance with part 748, the rule that covers Bank Secrecy Act compliance, security program requirements, and catastrophic act reporting.
- Section 741.215 refers to compliance with the record preservation requirements of part 749.
- Section 741.216 references the flood insurance requirements of part 760.
- Section 741.217 refers to the truth in savings requirements of part 707.
- Section 741.220 informs FICUs they must adhere to Regulation P promulgated by the Consumer Financial Protection Bureau to satisfy the consumer financial protection provisions of the Gramm-Leach-Bliley Act.
- Section 741.224 refers to compliance with part 750 on golden parachute and indemnification payments.
- Section 741.226 refers to compliance with subpart D of part 702 on subordinated debt.