



Regulatory Comment: Requirements for Insurance

THE ISSUE:

On January 28, 2026, the National Credit Union Administration (NCUA) issued a proposed rule to eliminate Section 741.10 of Subpart A of Part 741, which include requirements for obtaining and maintaining federal share insurance with the National Credit Union Share Insurance Fund (Share Insurance Fund).

IMPACT TO CREDIT UNIONS:

The proposal would reduce regulatory burden by eliminating unnecessary and redundant requirements related to disclosing when nonmember accounts are not covered by federal share insurance.

KEY POINTS:

- To minimize the volume of regulations that federally insured, state-chartered credit unions (FISCU) must review, the NCUA is proposing to remove Section 741.10 of the NCUA's regulations because it is duplicative of the contractual requirement imposed on FISCUs for maintaining federal share insurance.
- FISCUs are still contractually required to fulfill the terms of NCUA Form 9600 as a condition of maintaining federal share insurance coverage.
- The NCUA is also seeking comments suggesting changes that should be made to Section 741.9, which prohibits FISCUs from offering members shares that are not eligible for federal share insurance coverage.

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: March 16, 2026—**Submit here.**
- Comments due to the NCUA by March 30, 2026
- Questions? Contact Tyler Maron, Regulatory Affairs Counsel—
tmaron@americascreditunions.org
- Agency contact: Frank Kressman, General Counsel, Office of General Counsel, at
(703) 518-6540

QUESTIONS TO CONSIDER:

1. Do you agree with the NCUA's assessment that § 741.10 is redundant and duplicative?
2. Do you have any suggestions or changes to § 741.9 of the NCUA's regulations, which prohibits FICUs from offering members shares that are not eligible for federal share insurance coverage?

BACKGROUND:

Part 741 generally applies to federal credit unions (FCUs), FISCUs, and credit unions making application for insurance of accounts pursuant to Title II of the Federal Credit Union Act (FCU Act). Part 741 also includes various requirements for obtaining and maintaining federal share insurance.

Section 741.10 applies to FISCUs that are permitted by state law to accept nonmember shares or deposits from sources other than those provided for in the FCU Act. For any nonmember funds

permitted by state law, Section 741.10 requires FISCUs to identify such nonmember accounts as nonmember shares or deposits on any statement or report required by the Board for insurance purposes. Immediately after a state-chartered credit union receives notice from the NCUA that its member accounts are federally insured, Section 741.10 requires the credit union to advise any present nonmember share and deposit holders by letter that their accounts are not insured by the Share Insurance Fund. FISCUs are similarly required to notify any future nonmember share and deposit fund holders by letter as they open accounts.

The NCUA adopted this regulation in 1995 to incorporate requirements already imposed on FISCUs by the Agreement for Insurance of Accounts, which must be completed by state-chartered credit unions applying for federal share insurance. However, NCUA Form 9600, “Information to be Provided in Support of the Application of a State Chartered Credit Union for Insurance of Accounts,” also maintains these same requirements.

ANALYSIS:

To reduce regulatory burden, the NCUA is proposing to eliminate Section 741.10 because it is unnecessary and redundant to the disclosures FISCUs are already required to make as part of their agreement for maintaining federal share insurance. As discussed above, NCUA Form 9600 includes identical requirements to those in Section 741.10. While the NCUA is seeking to remove Section 741.10, it stresses that FISCUs are still contractually required to fulfill the terms of NCUA Form 9600 as a condition of maintaining federal share insurance coverage.

As part of this proposed rule, the NCUA is also seeking comments suggesting changes that should be made to Section 741.9, which prohibits FICUs from offering members shares that are not eligible for federal share insurance coverage.