



Newsletter

No. 06-21



June 16, 2021



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The Credit Union Department (CUD) is the state agency that regulates and supervises credit unions chartered by the State of Texas. The Department is professionally accredited by the National Association of State Credit Union Supervisors (NASCUS) certifying that CUD maintains the highest standards and practices in state credit union supervision.

*Our **Mission** is to safeguard the public interest, protect the interests of credit union members and promote public confidence in credit unions.*

Credit Union Commission

The Commission is the policy making body for CUD. The Commission is a board of private citizens appointed by and responsible to the Governor of Texas.

Members:

Yusuf E. Farran, Chair
Sherri Brannon Merket, Vice Chair
Elizabeth L. "Liz" Bayless
Karyn C. Brownlee
Beckie Stockstill Cobb
Steven "Steve" Gilman
Jim Minge
David F. Shurtz
Kay Rankin-Swan

Next Commission Meeting

Friday, August 27, 2021 beginning at 9:00 a.m. in the offices of CUD.

Speculation About U.S. Digital Currency Grows

If (or when) the Federal Reserve will begin issuing its own version of digital currency ramped up over last month's comments by the agency board's chair and the board member who watches over the nation's payments system.

First Fed Chair Jerome H. ("Jay") Powell said the development and enablement of a central bank digital currency (CBDC) for use by the general public is among the technological advances being explored by the Federal Reserve. Further, he indicated the agency plans to publish this summer a discussion paper that will discuss the implications of digital payments – including possibly a U.S.-issued digital currency.

Powell said the key focus for the Fed is whether or how a CBDC could improve on the existing "safe, effective, dynamic, and efficient U.S. domestic payments system" serving households and businesses. He also noted the Fed does not see digital currencies as a replacement for cash and coin. "We think it is important that any potential CBDC could serve as a complement to, and not a replacement of, cash and current private-sector digital forms of the dollar, such as deposits at commercial banks," Powell said. "The design of a CBDC would raise important monetary policy, financial stability, consumer protection, legal, and privacy considerations and will require careful thought and analysis—including input from the public and elected officials."

Fed Gov. Lael Brainard (who chairs the Fed's payments committee) said this summer's paper on digital money will be used to solicit public comment on a range of questions related to the use of the new currency, including payments, financial inclusion, data privacy and information security.

Speculation About U.S. Digital Currency Grows (Continued)

She also said that a digital dollar would be a new type of central bank money issued in digital form for use by the general public. “By introducing safe central bank money that is accessible to households and businesses in digital payments systems, a CBDC would reduce counterparty risk and the associated consumer protection and financial stability risks,” she said. She added that introducing a CBDC may provide an “important foundation” for beneficial innovation and competition in retail payments in the U.S.

LINKS:

[Transcript of Chair Powell’s Message on Developments in the U.S. Payments System](#)

[Speech by Governor Brainard on private money and central bank money as payments go digital: an update on CBDCs](#)

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## ***Publication Deadlines***

In order to meet the submission deadlines for the applicable issues of the Texas Register, it is necessary for the Department to establish the schedule shown below. Completed applications received after the deadline for the month cannot be published until the following month.

| <u><b>Publication Date</b></u> | <u><b>Application Deadline</b></u> |
|--------------------------------|------------------------------------|
| July 2021                      | Friday, July 16                    |
| August 2021                    | Friday, August 13                  |

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Applications Approved

There were no applications approved.

Applications Received

The following applications were received and will be published in the **June 25, 2021** issue of the *Texas Register*.

Field of Membership

Community Service Credit Union #1 (Huntsville) – Persons who reside, worship, attend school or work in and businesses and entities located in Houston County, Texas, to be eligible for membership in the credit union.

Applications Received (Continued)

Community Service Credit Union #2 (Huntsville) – Persons who reside, worship, attend school or work in and businesses and entities located in San Jacinto County, Texas, to be eligible for membership in the credit union.

Community Service Credit Union #3 (Huntsville) – Persons who reside, worship, attend school or work in and businesses and entities located in Grimes County, Texas, to be eligible for membership in the credit union.

Brazos Star Credit Union (College Station) – Persons who live, work, attend school or worship in and businesses located in Grimes County, Texas, to be eligible for membership in the credit union.

Hockley County School Employees Credit Union (Levelland) – Employees of South Plains Community Action Association of Levelland, Texas, to be eligible for membership in the credit union.

InvesTex Credit Union (Humble) – Persons who live, work, worship or attend school within a 10-mile radius of the InvesTex Credit Union office located at: 8404 FM 1960 Bypass Rd W., Humble, Texas, 77338, to be eligible for membership in the credit union.

Merger or Consolidation:

An application was received from **Plus4 Credit Union** (Houston) seeking approval to merge with **Houston Metropolitan Federal Credit Union** (Houston), with Plus4 Credit Union being the surviving credit union.

This newsletter is produced monthly as a part of the Department's continued communication outreach with the credit unions it regulates. Delivery is generally provided by electronic notification of its availability on the Department's website.

Suggestions and comments concerning the newsletter or its content are welcomed.

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To learn more about CUD click <http://www.cud.texas.gov> or contact us at 914 E. Anderson Lane, Austin, TX 78752

