

addressed in this notice do not create a new information collection or revise an existing information collection as defined by the PRA.

#### *E. Executive Order 13132 on Federalism*

Executive Order 13132 encourages certain agencies to consider the impact of their actions on state and local interests. The NCUA, an agency as defined in 44 U.S.C. 3502(5), voluntarily complies with the executive order to adhere to fundamental federalism principles. This proposed rule would apply to all FICUs, including FISCUs.

The NCUA expects that any effect on states or on the distribution of power and responsibilities among the various levels of government will be minor. These proposed changes are not intended to affect the division of responsibilities between the NCUA and state regulatory authorities with oversight of FISCUs. The proposed rule would remove the segregated deposit and collateral requirements imposed by § 701.20 when FCUs or FISCUs act as a surety and guarantor. FISCUs would remain subject to the other requirements, including compliance with applicable NCUA and state lending regulations.

The proposed rulemaking may, therefore, have some direct effect on the states, the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. However, to the extent the rule has any such effects, it will be to relieve FISCUs of a regulatory burden.

#### *F. Assessment of Federal Regulations and Policies on Families*

The NCUA has determined that this proposed rule would not affect family well-being within the meaning of section 654 of the Treasury and General Government Appropriations Act, 1999. The proposed rule relates to the collateral requirements for FICUs to enter into surety and guaranty agreements, and any effect on family well-being is expected to be indirect. The proposed regulatory changes are exclusively concerned with removing the unnecessary segregated deposit and collateral requirements specific to such agreements. Any potential positive effect on family well-being, including financial well-being is, at most, indirect.

#### **List of Subjects in 12 CFR Part 701**

Advertising, Aged, Civil rights, Credit, Credit unions, Fair housing, Individuals with disabilities, Insurance, Marital status discrimination, Mortgages, Religious discrimination, Reporting and

recordkeeping requirements, Sex discrimination, Signs and symbols, Surety bonds.

By the National Credit Union Administration Board, this 19th day of December, 2025.

**Melane Conyers-Ausbrooks,**  
*Secretary of the Board.*

For the reasons stated in the preamble, the NCUA Board proposes to amend 12 CFR part 701, as follows:

### **PART 701—ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS**

- 1. The authority citation for part 701 continues to read as follows:

**Authority:** 12 U.S.C. 1752(5), 1755, 1756, 1757, 1758, 1759, 1761a, 1761b, 1766, 1767, 1782, 1784, 1785, 1786, 1787, 1788, 1789. Section 701.6 is also authorized by 15 U.S.C. 3717. Section 701.31 is also authorized by 15 U.S.C. 1601 *et seq.*; 42 U.S.C. 1981 and 3601–3610. Section 701.35 is also authorized by 42 U.S.C. 4311–4312.

#### **§ 701.20 [Amended]**

- 2. Amend § 701.20 by:
  - a. Removing paragraphs (c)(3) and (d) and
  - b. Revising paragraph (c) to read as follows:

#### **§ 701.20 Suretyship and guaranty.**

\* \* \* \* \*

(c) \* \* \*

(1) The federal credit union limits its obligations under the agreement to a fixed dollar amount and a specified duration and

(2) The federal credit union's performance under the agreement creates an authorized loan that complies with the applicable lending regulations, including the limitations on loans to one member or associated members or officials for purposes of §§ 701.21(c)(5), (d); 723.4(c).

[FR Doc. 2025–23857 Filed 12–23–25; 8:45 am]

**BILLING CODE 7535–01–P**

### **NATIONAL CREDIT UNION ADMINISTRATION**

#### **12 CFR Part 740**

**RIN 3133–AF75**

#### **Accuracy of Advertising and Notice of Insured Status**

**AGENCY:** National Credit Union Administration (NCUA).

**ACTION:** Proposed rule.

**SUMMARY:** The NCUA Board (Board) is issuing this proposed rule to streamline its regulations governing advertising

and the notice of insured status. This proposed rule would eliminate provisions concerning the official advertising statement. This action is undertaken to reduce regulatory complexity, and the intended effect is to reduce the administrative burden and costs for federally insured credit unions (FICUs) and provide them with greater flexibility in their advertising activities. The proposed rule would not amend requirements related to displaying the official sign.

**DATES:** Comments must be received by February 27, 2026.

**ADDRESSES:** Comments may be submitted in one of the following ways. (Please send comments by one method only):

- **Federal eRulemaking Portal:** <https://www.regulations.gov>. The docket number for this proposed rule is NCUA–2025–1436. Follow the “Submit a comment” instructions. If you are reading this document on [federalregister.gov](https://www.federalregister.gov), you may use the green “SUBMIT A PUBLIC COMMENT” button beneath this rulemaking’s title to submit a comment to the [regulations.gov](https://www.regulations.gov) docket. A plain language summary of the proposed rule is also available on the docket website.

- **Mail:** Address to Melane Conyers-Ausbrooks, Secretary of the Board, National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314–3428.

- **Hand Delivery/Courier:** Same as mailing address.

Mailed and hand-delivered comments must be received by the close of the comment period.

**Public inspection:** Please follow the search instructions on <https://www.regulations.gov> to view the public comments. Do not include any personally identifiable information (such as name, address, or other contact information) or confidential business information that you do not want publicly disclosed. All comments are public records; they are publicly displayed exactly as received, and will not be deleted, modified, or redacted. Comments may be submitted anonymously. If you are unable to access public comments on the internet, you may contact the NCUA for alternative access by calling (703) 518–6540 or emailing [OGCMail@ncua.gov](mailto:OGCMail@ncua.gov).

**FOR FURTHER INFORMATION CONTACT:** Rachel Ackmann, Senior Attorney, Office of General Counsel, at (703) 518–6540 or at 1775 Duke Street, Alexandria, VA 22314.

**SUPPLEMENTARY INFORMATION:**

## I. Introduction

### A. Background

The Board comprehensively revised and streamlined part 740 in a 2003 final rule.<sup>1</sup> The primary purpose of the 2003 revision was to modernize the regulation for clarity, address the growing use of the internet for member transactions, and clarify the use of trade names in advertising. The NCUA's goal was to ensure members were adequately informed of their federal share insurance coverage while imposing a minimal regulatory burden.

Over the subsequent years, the NCUA amended these regulations several times. In the 2006 final rule, the NCUA revised the official sign to reflect statutory changes from the Federal Deposit Insurance Reform Act of 2005, which included adding a statement that insured accounts are backed by the full faith and credit of the United States Government.

A subsequent 2008 final rule provided credit unions with additional flexibility by permitting the use of a shortened advertising statement, "Federally insured by NCUA," or the official sign itself in advertisements.<sup>2</sup> In a 2011 final rule, the Board made the advertising rules more stringent.<sup>3</sup> This amendment, among other changes, reduced the time exemption for radio and television advertisements from 30 seconds to 15 seconds. It also introduced the requirement to include the official advertising statement in annual reports and statements of condition, clarified that the statement's font size in print must be no smaller than the smallest font used for other consumer information, and defined the term "advertisement" for the first time.

However, in a 2018 final rule, the NCUA reversed the 2011 change to the broadcast advertisement exemption to provide regulatory relief and restore parity with regulations for banks insured by the Federal Deposit Insurance Corporation.<sup>4</sup> The 2018 rule expanded the radio and television exemption back to 30 seconds and introduced a shorter advertising statement option: "Insured by NCUA." Most recently, a 2020 final rule made technical corrections to improve clarity.<sup>5</sup>

### B. Legal Authority

Section 205(a) of the Federal Credit Union Act (FCU Act) (12 U.S.C. 1785(a))

requires each FICU to display a sign relating to the insurance of its share accounts.<sup>6</sup> The NCUA implements this requirement in part 740 of its rules (part 740).<sup>7</sup> Part 740 also requires that each FICU include an official advertising statement related to share insurance in all advertisements.<sup>8</sup> This requirement originated from a historic statutory provision in section 1785(a). Before 2005, section 1785(a) required every FICU to include a statement in all advertisements reiterating that its member accounts are insured by the Board. Section 1785(a) also provided that the Board may exempt advertisements from this requirement if the advertisements do not relate to member accounts or when it is impractical to include such a statement.

The 2005 statutory amendment retained the requirement for FICUs to post official signs but removed the requirement to include official advertising statements. The NCUA issued a final rule implementing changes associated with the 2005 statutory amendments in 2006 (2006 final rule) but did not remove the portions of part 740 that implemented the historical requirement to include an official advertising statement.<sup>9</sup> Part 740 currently includes both the requirements for an official sign and advertising statement.<sup>10</sup>

## II. Proposed Rule

This proposed rule would amend two sections within part 740 and is intended to promote regulatory efficiency and reduce unnecessary burdens on FICUs. This proposed rule would remove § 740.5 related to the official advertising statement and revise § 740.0 to remove references to the official advertising statement. This action is intended to provide FICUs with greater flexibility in

their advertising activities while ensuring that members continue to receive clear and accurate information about their share insurance coverage through other required disclosures.

Section 740.5 establishes the specific requirements for the official advertising statement. It mandates that FICUs include one of three prescribed official statements or an alternative, namely—"This credit union is federally insured by the National Credit Union Administration," "Federally insured by NCUA," "Insured by NCUA," or a reproduction of the official sign—in all advertisements, unless specifically exempted. The regulation requires the statement to be clearly legible and with a font that is no smaller than the smallest font used for other consumer information in the advertisement. Section 740.5 also details numerous exemptions, specifying that the official statement is not required for certain items such as stationery, checks, signs within a credit union's office, directory listings, radio and television advertisements of 30 seconds or less, promotional items where inclusion is impractical, and advertisements that do not relate to member accounts, such as those for loans or safe deposit box services.

The Board is proposing to eliminate § 740.5 because the section imposes an unnecessary and undue compliance burden on FICUs that is disproportionate to its limited public benefit. The highly prescriptive nature of the rule, with its specific textual requirements and complex list of exceptions for items ranging from radio spots to promotional pens, forces FICUs to dedicate administrative resources to compliance. This approach is inflexible and poorly suited to the modern, fast-paced advertising landscape, particularly in the context of digital and social media, where space is often limited and communication must be concise.

Furthermore, the Board believes the rule is largely unnecessary because its core objective—ensuring members are aware of their federal insurance coverage—is effectively achieved through other, more direct means. The NCUA has long held it is important for consumers of advertisements to know that the share accounts in the advertising FICU are federally insured by the NCUA.<sup>11</sup> The Board has also stated that it believes the benefits to consumers and FICUs—namely, enhanced consumer confidence and agency name recognition—outweigh the relatively minor burden associated with

<sup>6</sup> 12 U.S.C. 1785(a).

<sup>7</sup> 12 CFR pt. 740.

<sup>8</sup> 12 CFR 740.5.

<sup>9</sup> 71 FR 36719 (2006). The Board notes that the FCU Act grants the NCUA a broad mandate to issue regulations governing both federal and state-chartered credit unions. Section 120 of the FCU Act is a general grant of regulatory authority, and it authorizes the Board to prescribe rules and regulations for the administration of the FCU Act. 12 U.S.C. 1766(a). Section 209 of the FCU Act is a plenary grant of regulatory authority to the NCUA to issue rules and regulations necessary or appropriate to carry out its role as share insurer for all FICUs. 12 U.S.C. 1789. Additionally, Section 204 of the FCU Act authorizes the Board, through its examiners, "to examine any [FICU] . . . to determine the condition of any such credit union for insurance purposes." 12 U.S.C. 1784.

<sup>10</sup> The NCUA has updated part 740 several times since 2006 but has not discussed the change in statutory authority, and it does not appear commenters have raised concerns either. *See*, 73 FR 56935 (Oct. 1, 2008); 76 FR 30521 (May 26, 2011), and 83 FR 17910 (Apr. 25, 2018).

<sup>11</sup> 76 FR 30521 (May 26, 2011).

<sup>1</sup> 68 FR 23382 (May 2, 2003).

<sup>2</sup> 73 FR 56936 (Oct. 1, 2008).

<sup>3</sup> 76 FR 30523 (May 26, 2011).

<sup>4</sup> 83 FR 17913 (Apr. 25, 2018).

<sup>5</sup> 85 FR 62213 (Oct. 2, 2020).

requiring the inclusion of the official advertising statement.

However, the Board now believes these objectives are best met through other provisions of part 740, and the advertising statement is unnecessary. First, the requirements in § 740.4, which are not being amended by this rule, mandate the display of the official NCUA sign in a FICU's offices and on its website where members can open share accounts and deposit funds.<sup>12</sup> This ensures that members receive prominent notice of their insured status at the key points of transaction and interaction. Second, the requirements in § 740.2 mandate that FICU advertising be accurate and truthful. This provision ensures that, if a FICU references its federal share insurance in advertisements, it does so accurately. For example, if a FICU states it is NCUA insured in an advertisement that includes noninsured products, the advertisement should be clear that the product is not insured. The additional requirement to include a specific statement in all advertisements on share insurance is therefore redundant and does not materially enhance member protection in a way that justifies the associated compliance costs.

This policy to remove the requirement for an official advertising statement is also supported by the fact that the requirement in § 740.5 is not statutorily mandated. As discussed above, the FCU Act explicitly directs the Board to issue regulations regarding the display of the official sign. No provision in the FCU Act compels the Board to create or enforce a separate, distinct official advertising statement to be included in all advertisements. As the rule is not required by law and imposes an unnecessary burden, its removal is a logical step to streamline the regulatory framework. FICUs may continue to include an advertising statement, provided the inclusion is not inaccurate or deceptive, but will not be required to include an advertising statement.

Finally, the proposed rule would also amend § 740.0, which outlines the scope of part 740. Part 740 currently references the official advertising statement. With the removal of the substantive requirements in § 740.5, retaining a scope section that references these rules would be inaccurate and

create confusion. Therefore, the proposed rule would remove references in § 740.0 to the advertising statement.

The Board solicits comments on all aspects of the proposed rule.

### III. Regulatory Procedures

#### A. Providing Accountability Through Transparency Act of 2023

The Providing Accountability Through Transparency Act of 2023 (5 U.S.C. 553(b)(4)) (Act) requires that a notice of proposed rulemaking include the internet address of a summary of not more than 100 words in length of a proposed rule, in plain language, that shall be posted on the internet website under section 206(d) of the E-Government Act of 2002 (44 U.S.C. 3501 note) (commonly known as *regulations.gov*). The Act, under its terms, applies to notices of proposed rulemaking and does not expressly include other types of documents that the Board publishes voluntarily for public comment, such as notices and interim-final rules that request comment despite invoking "good cause" to forgo such notice and public procedure. The Board, however, has elected to address the Act's requirement in these types of documents in the interests of administrative consistency and transparency.

The Board is issuing this proposed rule to streamline its regulations governing advertising and the notice of insured status. This proposed rule would eliminate provisions concerning the official advertising statement. This action is undertaken to reduce regulatory complexity and the intended effect is to reduce the administrative burden and costs for FICUs and provide them with greater flexibility in their advertising activities.

The proposal and the required summary can be found at <https://www.regulations.gov>.

#### B. Executive Orders 12866, 13563, and 14192

Pursuant to Executive Order 12866 ("Regulatory Planning and Review"), as amended by Executive Order 14215, a determination must be made whether a regulatory action is significant and therefore subject to review by the Office of Management and Budget (OMB) in accordance with the requirements of the Executive Order.<sup>13</sup> Executive Order 13563 ("Improving Regulation and Regulatory Review") supplements and reaffirms the principles, structures, and definitions governing contemporary regulatory review established in

Executive Order 12866.<sup>14</sup> This proposed rule was drafted and reviewed in accordance with Executive Order 12866 and Executive Order 13563. OMB has determined that this proposed rule is not a "significant regulatory action" as defined in section 3(f)(1) of Executive Order 12866. This proposed rule will reduce the burden of including an official advertising statement on all advertisements unless otherwise exempt and is consistent with Executive Order 13563.

Executive Order 14192 ("Unleashing Prosperity Through Deregulation") requires that any new incremental costs associated with new regulations shall, to the extent permitted by law, be offset by the elimination of existing costs associated with at least 10 prior regulations.<sup>15</sup> This proposed rule is expected to be a deregulatory action for purposes of Executive Order 14192.

#### C. Regulatory Flexibility Act

The Regulatory Flexibility Act<sup>16</sup> generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. If the agency makes such a certification, it shall publish the certification at the time of publication of either the proposed rule or the final rule, along with a statement providing the factual basis for such certification.<sup>17</sup> For purposes of this analysis, the NCUA considers small credit unions to be those having under \$100 million in assets.<sup>18</sup> The Board fully considered the potential economic impacts of the regulatory amendments on small credit unions.

This rule is narrow in scope and purely deregulatory. Further, FICUs may voluntarily continue to include the official advertising statement in their advertisements and may choose not to change their current practices. Accordingly, the NCUA certifies the proposed rule would not have a significant economic impact on a substantial number of small credit unions.

#### D. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (PRA) generally provides that an agency may not conduct or sponsor, and not withstanding any other provision of

<sup>12</sup> The Board notes that it treats mobile banking applications similar to internet pages and the official sign is required on the main page and the log-on screen where members identify themselves to conduct transactions online. The official sign is also required on a membership application page. Displaying the official sign there will provide adequate notice of federal share insurance to the member.

<sup>13</sup> 58 FR 51735 (Oct. 4, 1993).

<sup>14</sup> 76 FR 3821 (Jan. 21, 2011).

<sup>15</sup> 90 FR 9065 (Feb. 6, 2025).

<sup>16</sup> 5 U.S.C. 601 *et seq.*

<sup>17</sup> 5 U.S.C. 605(b).

<sup>18</sup> 80 FR 57512 (Sept. 24, 2015).

law, a person is not required to respond to, a collection of information, unless it displays a currently valid Office of Management and Budget (OMB) control number. The PRA applies to rulemakings in which an agency creates a new or amends existing information collection requirements. For purposes of the PRA, an information-collection requirement may take the form of a reporting, recordkeeping, or a third-party disclosure requirement. The NCUA has determined that the changes described in this notice do not create a new information collection or revise an existing information collection as defined by the PRA.

#### *E. Executive Order 13132 on Federalism*

Executive Order 13132 encourages certain agencies to consider the impact of their actions on state and local interests. The NCUA, a regulatory agency as defined in 44 U.S.C. 3502(5), voluntarily complies with the executive order to adhere to fundamental federalism principles. This proposed rule would apply to all FICUs, including state-chartered credit unions. The NCUA expects that any effect on states or on the distribution of power and responsibilities among the various levels of government will be minor. The proposed changes would remove an existing requirement on state-chartered credit unions and would not affect the division of responsibilities between the NCUA and state regulatory authorities with oversight of federally insured, state-chartered credit unions. These changes relate to the NCUA's insurance of member accounts, which is a distinct federal function. The proposed changes are deregulatory and would relieve burdens on state-chartered credit unions. The rulemaking would therefore not have a direct effect on the states, the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government.

#### *F. Assessment of Federal Regulations and Policies on Families*

The NCUA has determined that this proposed rule would not affect family well-being within the meaning of section 654 of the Treasury and General Government Appropriations Act, 1999.<sup>19</sup> The proposed rule relates to FICUs' advertisements, but the Board does not believe it will cause member confusion regarding share insurance coverage. Therefore, any effect on family well-being is expected to be indirect.

#### **List of Subjects in 12 CFR Part 740**

Bank deposit insurance, Credit unions, Reporting and recordkeeping requirements, Signs and symbols.

By the National Credit Union Administration Board, this 19th day of December, 2025.

**Melane Conyers-Ausbrooks,**

*Secretary of the Board.*

For the reasons set forth in the preamble, the Board proposes to amend 12 CFR part 740 to read as follows:

#### **PART 740—ACCURACY OF ADVERTISING AND NOTICE OF INSURED STATUS**

■ 1. The authority citation for part 740 continues to read as follows:

**Authority:** 12 U.S.C. 1766, 1781, 1785, and 1789.

■ 2. Revise § 740.0 to read as follows:

##### **§ 740.0 Scope.**

This part applies to all federally insured credit unions. It prescribes the requirements for the official sign insured credit unions must display. It requires that all other kinds of advertisements be accurate. It also establishes requirements for advertisements of excess insurance.

##### **§ 740.5 [Removed]**

■ 3. Remove § 740.5.

[FR Doc. 2025–23854 Filed 12–23–25; 8:45 am]

**BILLING CODE 7535–01–P**

#### **NATIONAL CREDIT UNION ADMINISTRATION**

#### **12 CFR Part 748**

**RIN 3133–AF77**

#### **Catastrophic Act Reporting**

**AGENCY:** National Credit Union Administration (NCUA).

**ACTION:** Proposed rule.

**SUMMARY:** The NCUA Board (Board) is publishing this proposed rule to amend the requirements for federally insured credit unions (FICUs) to report catastrophic acts to the agency. By providing more time for FICUs to notify the agency of the occurrence of a catastrophic act and by eliminating the specific list of items to be documented, the Board expects the proposed rule to reduce the compliance burden and allow FICUs to focus their resources on recovery and core functions without compromising safety and soundness.

**DATES:** Comments must be received on or before February 27, 2026.

**ADDRESSES:** Comments may be submitted in one of the following ways. (Please send comments by one method only):

- **Federal eRulemaking Portal:** <https://www.regulations.gov>. The docket number for this proposed rule is NCUA–2025–1437. Follow the “Submit a comment” instructions. If you are reading this document on [federalregister.gov](https://www.federalregister.gov), you may use the green “SUBMIT A PUBLIC COMMENT” button beneath this rulemaking’s title to submit a comment to the [regulations.gov](https://www.regulations.gov) docket. A plain language summary of the proposed rule is also available on the docket website.

- **Mail:** Address to Melane Conyers-Ausbrooks, Secretary of the Board, National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314–3428.

- **Hand Delivery/Courier:** Same as mailing address.

Mailed and hand-delivered comments must be received by the close of the comment period.

**Public inspection:** Please follow the search instructions on <https://www.regulations.gov> to view the public comments. Do not include any personally identifiable information (such as name, address, or other contact information) or confidential business information that you do not want publicly disclosed. All comments are public records; they are publicly displayed exactly as received, and will not be deleted, modified, or redacted. Comments may be submitted anonymously. If you are unable to access public comments on the internet, you may contact the NCUA for alternative access by calling (703) 518–6540 or emailing [OGCMail@ncua.gov](mailto:OGCMail@ncua.gov).

**FOR FURTHER INFORMATION CONTACT:** Gira Bose, Senior Staff Attorney, at (703) 518–6540 or at 1775 Duke Street, Alexandria, VA 22314.

#### **SUPPLEMENTARY INFORMATION:**

#### **I. Introduction**

##### *A. Background*

Part 748 requires a FICU to notify the appropriate NCUA Regional Director within five business days of any catastrophic act that occurs at its office(s). NCUA regulations define a catastrophic act as “any disaster, natural or otherwise, resulting in physical destruction or damage to the credit union or causing an interruption in vital member services, as defined in § 749.1 of this chapter, projected to last more than two consecutive business days.”<sup>1</sup>

<sup>1</sup> 12 CFR 748.1(b). See also 12 CFR 749, App. B, Catastrophic Act Preparedness Guidelines. The

<sup>19</sup> Public Law 105–277, 112 Stat. 2681 (1998).