

[Skip to main content](#)

 United States flag An official website of the United States government

[Newsroom](#) | [Español](#) | [Contact Us](#) | [Site map](#) | [Locate a credit union \(opens new window\)](#) | [Research a credit union \(opens new window\)](#)

 [National Credit Union Administration](#)  [National Credit Union Administration](#)

Search NCUA.gov

[Locate a credit union \(opens new window\)](#) | [Research a credit union \(opens new window\)](#)

 Show

Main navigation

- [About](#)
 - [Mission & Values](#)
 - [Leadership](#)
 - [The Honorable Todd M. Harper](#)
 - [The Honorable Kyle S. Hauptman](#)
 - [The Honorable Rodney E. Hood](#)
 - [The NCUA Board](#)
 - [Board Meeting Registration Form](#)
 - [Board Meetings, Agendas, & Results](#)
 - [Board Meeting Calendar & Actions - 2021](#)
 - [Board Meeting Calendar & Actions - 2020](#)
 - [Board Meeting Calendar & Actions - 2019](#)
 - [Board Meeting Calendar & Actions - 2018](#)
 - [Board Meeting Calendar & Actions - 2017](#)
 - [Board Meeting Calendar & Actions - 2016](#)
 - [Board Meeting Calendar & Actions - 2015](#)
 - [Board Meeting Calendar & Actions - 2014](#)
 - [Board Meeting Calendar & Actions - 2013](#)
 - [Board Meeting Calendar & Actions - 2012](#)
 - [Board Meeting Calendar & Actions - 2011](#)
 - [Board Meeting Calendar & Actions - 2010](#)
 - [Board Appeals](#)
 - [Board Comments](#)
 - [Speaker Request Form](#)
 - [Historical Timeline](#)
 - [Diversity & Inclusion](#)
 - [Supplier Diversity](#)
 - [Workforce Diversity & Inclusion](#)
 - [Workplace Resolutions](#)
 - [NCUA's Annual Equal Employment Opportunity Policy Statement](#)
 - [PAS Fact Sheet](#)
 - [Credit Union Diversity](#)
 - [Credit Union Diversity Standards](#)
 - [Voluntary Credit Union Diversity Self-Assessment](#)
 - [Reports to Congress](#)
 - [Careers](#)
 - [Meet Our People](#)
 - [Pay & Benefits](#)
 - [Employee Engagement](#)
 - [Business Opportunities](#)
 - [Open Government](#)
 - [Accessibility, Limited English Proficiency & Exit Statement](#)

- [Ombudsman](#)
- [Plain Writing Act of 2010](#)
 - [Implementation Plan](#)
- [Website Policies](#)
 - [Information Quality](#)
- [Budget & Strategic Planning](#)
 - [Budget & Supplementary Materials](#)
 - [Operating Fund Financial Highlights](#)
 - [Strategic Plans & Annual Performance Plans](#)
- [Inspector General](#)
 - [Hotline](#)
 - [OIG Reports](#)
 - [Audit Reports](#)
 - [Material Loss Reviews](#)
 - [Performance & Strategic Plans](#)
 - [Semiannual Reports & Letters to Congress](#)
 - [Other Reports](#)
 - [What Should Be Reported](#)
 - [Whistleblower Protection - Your Rights](#)
 - [Whistleblower Protection](#)
- [Regulation & Supervision](#)
 - [Letters to Credit Unions & Other Guidance](#)
 - [Legal Opinions](#)
 - [Rules & Regulations](#)
 - [Federal Credit Union Act \(opens new window\)](#)
 - [NCUA's Rules & Regulations \(opens new window\)](#)
 - [Proposed, Pending & Recently Final Regulations](#)
 - [Recent Final & Interim Final Regulations](#)
 - [Regulatory Review](#)
 - [Interpretive Rulings & Policy Statements](#)
 - [Regulatory Reform Agenda](#)
 - [Implementation of the NCUA's Regulatory Reform Agenda](#)
 - [Regulatory & Compliance Resources](#)
 - [CECL Resources](#)
 - [Cybersecurity Resources](#)
 - [Consumer Compliance Regulatory Resources](#)
 - [Additional Consumer Compliance Resources](#)
 - [Consumer Credit Resources](#)
 - [Deposit Resources](#)
 - [Dodd-Frank Act Mortgage Lending Resources](#)
 - [Fair Lending Compliance Resources](#)
 - [Flood Insurance Resources](#)
 - [Service Member Lending & Credit Resources](#)
 - [Risk-based Capital Rule Resources](#)
 - [Risk-Based Capital Estimator Overview](#)
 - [Bank Secrecy Act Resources](#)
 - [Capital Planning & Stress Testing Resources](#)
 - [Fraud Prevention Resources](#)
 - [Net Worth Ratio Plan and Prompt Corrective Action Resources](#)
 - [Prompt Corrective Action Frequently Asked Questions](#)
 - [NWRP Useful Tips](#)
 - [Enforcement Actions](#)
 - [Administrative Orders](#)
 - [Letters of Understanding & Agreement](#)

- [Consent Orders](#)
 - [Q2 2019 Call Report Late Filers List](#)
 - [Q1 2019 Call Report Late Filers List](#)
 - [Q4 2018 Call Report Late Filers List](#)
 - [Q3 2018 Call Report Late Filers List](#)
 - [Q2 2018 Call Report Late Filers List](#)
 - [Q1 2018 Call Report Late Filers List](#)
 - [Q4 2017 Call Report Late Filers List](#)
 - [Q3 2017 Call Report Late Filers List](#)
 - [Q2 2017 Call Report Late Filers List](#)
 - [Q1 2017 Call Report Late Filers List](#)
 - [Q4 2016 Call Report Late Filers List](#)
 - [Q3 2016 Call Report Late Filers List](#)
 - [Q2 2016 Call Report Late Filers List](#)
 - [Q1 2016 Call Report Late Filers List](#)
 - [Q4 2015 Call Report Late Filers List](#)
 - [Q3 2015 Call Report Late Filers List](#)
 - [Q2 2015 Call Report Late Filers List](#)
 - [Q1 2015 Call Report Late Filers List](#)
 - [Q4 2014 Call Report Late Filers List](#)
 - [Q3 2014 Call Report Late Filers List](#)
 - [Q2 2014 Call Report Late Filers List](#)
 - [Q1 2014 Call Report Late Filers List](#)
- [Supervisory Review Committee](#)
 - [Appeal Decisions](#)
- [Corporate Credit Unions](#)
 - [Corporate Credit Union Guidance Letters](#)
 - [Corporate CUSO Activities](#)
 - [Approval Process](#)
 - [Approved Corporate CUSO Activities](#)
 - [Corporate Credit Union Responsibilities](#)
 - [Corporate Credit Union Merger](#)
 - [Corporate Examiner Guide](#)
 - [Corporate Expanded Authority Guidelines](#)
- [Regulatory Reporting](#)
 - [Credit Union Online](#)
 - [5300 Call Report FAQs](#)
 - [What's New?](#)
 - [Corporate Credit Union Online](#)
 - [Call Report Forms and Instructions Archive](#)
 - [AIRES Exam Software Information](#)
 - [CUSO Registry](#)
 - [Collection of Examination & Supervision Information](#)
- [Manuals & Guides](#)
 - [ALM Review Procedures](#)
 - [Asset Valuation Workbook](#)
 - [Chartering & Field of Membership Manual \(opens new window\)](#)
 - [Credit Union Bonds](#)
 - [Examiner's Guide](#)
 - [Fair Lending Guide \(opens new window\)](#)
 - [Federal Consumer Financial Protection Guide](#)
 - [HMDA Reporting Guide](#)
 - [Hurricane & Disaster Information](#)
 - [Notice of Change in Official or Senior Executive Officer](#)

- [Prompt Corrective Action Guidelines](#)
 - [Suspicious Activity Report](#)
 - [Tax Exemption Letter for Federal Credit Unions](#)
- [Examination Modernization Initiatives](#)
 - [Enterprise Solution Modernization Program](#)
 - [NCUA Connect & Admin Portal](#)
 - [Modern Examination & Risk Identification Tool \(MERIT\)](#)
 - [Data Exchange Application \(DEXA\)](#)
 - [Electronic Loan, Deposit & Investment Data Collection](#)
 - [Exam Flexibility Initiative](#)
 - [NCUA-State Supervisor Working Group](#)
 - [Call Report Modernization](#)
 - [Virtual Examination Program](#)
- [Analysis](#)
 - [Credit Union & Corporate Call Report Data](#)
 - [Quarterly Data](#)
 - [Quarterly Data Summary Reports](#)
 - [Financial Trends in Federally Insured Credit Unions](#)
 - [NCUA Quarterly U.S. Map Review](#)
 - [Industry at a Glance](#)
 - [Call Report Forms & Instructions Archive](#)
 - [Aggregate Financial Performance Reports](#)
 - [Financial Performance Reports](#)
 - [Recently Updated Call Reports \(opens new window\)](#)
 - [Custom Query \(opens new window\)](#)
 - [View Corporate Credit Union Call Reports \(opens new window\)](#)
 - [Download Corporate Credit Union Call Report Data \(opens new window\)](#)
 - [Chartering & Mergers](#)
 - [Community Charter Reports](#)
 - [Merger Activity & Insurance Report](#)
 - [Trade, Industry, or Profession Report](#)
 - [Underserved Area Report](#)
 - [CUSO & Economic Data](#)
 - [CUSOs at a Glance](#)
 - [Credit Union & Bank Rates](#)
 - [Searchable CUSO Registry \(opens new window\)](#)
 - [State & City Economic Data](#)
 - [Research a Credit Union \(opens new window\)](#)
- [Support Services](#)
 - [Credit Union Resources & Expansion](#)
 - [Chartering](#)
 - [Bank to Credit Union Conversions](#)
 - [Bylaws](#)
 - [Chartering & Field of Membership Manual](#)
 - [Business and Marketing Plan Template](#)
 - [Streamlined Business and Marketing Plan](#)
 - [Pro Forma Financial Statement Template](#)
 - [Field-of-Membership Expansion](#)
 - [Low-Income Designation](#)
 - [Frequently Asked Questions on the Low-Income Designated Area Workbook](#)
 - [Frequently Asked Questions on the Loss & Retention of the Low-Income Designation](#)
 - [Serving the Underserved](#)
 - [Expanding Service to Underserved Areas: Application Guidance](#)

- [Pro Forma Financial Statement Template](#)
- [Grants & Loans](#)
 - [Community Development Revolving Loan Fund Financial Reports](#)
 - [Grants](#)
 - [Loans](#)
- [Learning](#)
 - [Webinar Schedule](#)
- [Resources](#)
 - [Credit Union Resources & Expansion Contact Info](#)
 - [NCUA-CDFI Certification Initiative](#)
 - [Qualification Process to use the Streamlined CDFI Certification Application](#)
 - [Minority Depository Institution Preservation](#)
- [Credit Union Merger Resources](#)
 - [General Merger FAQs](#)
 - [Comments on Proposed Credit Union Mergers](#)
- [Conservatorships & Liquidations](#)
 - [Information for Members & Creditors](#)
 - [Unclaimed Deposits](#)
 - [Filing Claims](#)
 - [Loan Sales & Available Real Estate](#)
- [Share Insurance Fund](#)
 - [Contact Us](#)
 - [Electronic Funds Transfer Payments Form](#)
 - [Equity Ratio & Normal Operating Level](#)
 - [Calculating the Equity Ratio](#)
 - [Determining the Normal Operating Level](#)
 - [Projecting the Equity Ratio](#)
 - [Share Insurance Fund Distribution](#)
 - [Financial Reports & Statements](#)
 - [Fund History](#)
 - [NGN Program](#)
 - [Toolkit for Credit Unions](#)
- [Corporate System Resolution](#)
 - [Borrowing Cost](#)
 - [Corporate Asset Management Estate Recoveries & Claims](#)
 - [Corporate Capital Distribution Process](#)
 - [FAQs on Member Capital Payouts](#)
 - [July 2020 Southwest Corporate Federal Credit Union Capital Distribution](#)
 - [Frequently Asked Questions](#)
 - [Glossary](#)
 - [Legal Recoveries from the Corporate Crisis](#)
 - [Resolution Costs Detail](#)
 - [Stabilization Fund History](#)
 - [Stabilization Fund Closure](#)
 - [Stabilization Fund Financial Reports](#)
- [Guaranteed Notes Program](#)
 - [Balance Change Report](#)
 - [Delinquency Status History](#)
 - [Frequently Asked Questions](#)
 - [Legacy Asset Profile](#)
 - [Non-Agency RMBS Concentration by State](#)
 - [Non-Agency RMBS Details - Delinquency Status](#)
 - [Non-Agency RMBS Details - Vintage](#)
 - [Projected Legacy Asset Losses](#)

- [Ratings Distribution History](#)
 - [State Concentration History](#)
 - [Terms & Glossary](#)
 - [Timeline](#)
 - [Transaction Details](#)
 - [Vintage Distribution History](#)
- [Central Liquidity Facility](#)
 - [Operating Circulars and Forms](#)
 - [Frequently Asked Questions](#)
 - [Membership Capital Requirement Estimator](#)
 - [Monthly Reports](#)
- [Consumers](#)
 - [Consumer Assistance Center \(opens new window\)](#)
 - [Fraud Prevention Center \(opens new window\)](#)
 - [Share Insurance Coverage \(opens new window\)](#)
 - [Credit Union Locator \(opens new window\)](#)
 - [MyCreditUnion.gov \(opens new window\)](#)
 - [Financial Literacy Resources](#)
- [News](#)
 - [Press Releases](#)
 - [Speeches](#)
 - [Testimony](#)
 - [NCUA Report](#)
 - [Annual Reports](#)
 - [Events Calendar](#)
 - [Downloadable Graphics](#)
 - [Responding to the Collapse of the New York City Taxi Medallion Market](#)
 - [Timeline of the NYC Taxi Medallion Crisis](#)
 - [NCUA's Efforts to Protect Members and Borrowers](#)
 - [NCUA's Role as Liquidating Agent](#)
 - [Press Releases and Statements](#)
 - [Frequently Asked Questions on the NCUA's Sale of Its Taxi Medallion Portfolio](#)
 - [Frequently Asked Questions about Taxi Medallion Lending and the NCUA's Supervision and Response to the Medallion Market Collapse](#)
- [COVID-19](#)
 - [For Federally Insured Credit Unions](#)
 - [FAQs for Federally Insured Credit Unions](#)
 - [For Credit Union Members](#)
 - [FAQs for Credit Union Members](#)
 - [Other COVID-19 Resources](#)
- [ACCESS](#)
 - [Advancing Communities through Credit](#)
 - [Advancing Communities through Education](#)
 - [Advancing Communities through Stability](#)
 - [Advancing Communities through Support](#)

Find An Answer ...

Breadcrumb

1. [Home](#)
2. > [Regulation and Supervision](#)
3. > [Letters to Credit Unions and Other Guidance](#)

Print

 [Print page](#)

Share

 [Facebook \(opens new window\)](#)  [Twitter \(opens new window\)](#)  [LinkedIn \(opens new window\)](#)  [Email \(opens new window\)](#)

Responsible Small-Dollar Lending in Response to COVID-19

NCUA LETTER TO CREDIT UNIONS

NATIONAL CREDIT UNION ADMINISTRATION
1775 Duke Street, Alexandria, VA 22314

Date
March 2020
Letter No
20-CU-04
20-CU-04 / March 2020
Responsible Small-Dollar Lending in Response to COVID-19
To
Federally Insured Credit Unions
Subject
Consumer Lending
Status
Active
To
Federally Insured Credit Unions
Subj
Consumer Lending

Dear Boards of Directors and Chief Executive Officers:

Your credit union has the potential to provide members responsible credit products that will help them weather the economic impact of the COVID-19 pandemic. Federal financial regulators, including the NCUA, issued a [Joint Statement Encouraging Responsible Small-Dollar Lending in Response to COVID-19 \(opens new window\)](#) on March 26, 2020. This letter summarizes the joint statement and reiterates the NCUA's support of small-dollar lending.

The joint statement expressly encourages credit unions to offer responsible small-dollar loans to consumer and small business members. The NCUA recognizes that appropriately structured small-dollar loans can help members meet their needs for credit due to temporary cash-flow imbalances, unexpected expenses, or income short-falls during periods of economic stress or disaster recovery.

Credit unions have a long history of helping members through difficult times with small-dollar loans and other responsible credit. Your credit union can offer small-dollar loans through a variety of products including open-end lines of credit, closed-end installment loans, or appropriately structured single payment loans. Likewise,

federal credit unions may make two types of payday alternative loans (PALs I and PALs II). However, unlike other types of small-dollar loans, PALs may not contain any single payment or balloon payment feature.

Additionally, credit unions are encouraged to consider workout strategies designed to help borrowers who are experiencing financial difficulties, while mitigating the need to re-borrow. For all products, credit unions should offer loans in a manner that is consistent with safe and sound practices, provides fair treatment of members, and complies with applicable statutes and regulations, including consumer financial protection laws.

The NCUA strongly encourages your credit union to take every step it can to responsibly assist its members with their financial needs during this crisis.

At their discretion, federal credit unions may consult with the NCUA about small-dollar loan products. If you have any questions about these issues, please contact the NCUA's Office of Consumer Financial Protection at ocfpmail@ncua.gov, your regional office, or your state supervisory authority.

Sincerely,

/s/

Rodney E. Hood
Chairman

Last modified on
05/20/20

Footer menu

- [Home](#)
- [Contact Us](#)
- [News](#)
- [Careers](#)
- [About NCUA](#)
- [Site Map](#)

[Facebook \(opens new window\)](#) [LinkedIn \(opens new window\)](#) [Twitter \(opens new window\)](#) [YouTube \(opens new window\)](#)

Footer (Secondary)

- [FOIA](#)
- [No Fear Act](#)
- [Whistleblower Protection](#)
- [Open Government](#)
- [Data](#)
- [Accessibility](#)
- [Plain Writing](#)
- [Privacy](#)
- [Site Index](#)
- [USA.gov \(opens new window\)](#)
- [Office of Inspector General](#)
- [Website Policies](#)

National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314
Close popup