



**DEPARTMENT OF
FINANCIAL
INSTITUTIONS**

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STATE OF UTAH

Gary R. Herbert
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May 13, 2020

RE: Guidance on Returning to Normal Office/Branch Operations

To Utah Credit Unions

First, I want to say how pleased I am with Utah credit unions and the manner in which you have provided banking products and services to your members in unprecedented adverse conditions over the last two months. The Department understands that you are prioritizing employee and public safety, while still serving your members in a safe and effective manner within the context of a novel coronavirus pandemic. With remarkable speed, some of you have ramped up, processed and funded the SBA's Paycheck Protection Program Loans to aid small businesses, despite an SBA platform that was not designed to handle this volume.

You have made us all proud!

Background

On March 12, 2020, the Department sent a notice to all state chartered credit unions citing Utah Code Section 7-1-808(3)(a) that allows a depository institution to be open or closed to the general public during business hours of its choosing, except Sundays. If your credit union determined it was in the best interest of your employees and members to temporarily reduce or suspend main office or branch operations, or reduce the hours you were open, due to the COVID-19 outbreak, you were allowed to do so, provided notice to your members and the Department was given.

In Utah, after a very difficult "High Risk" phase in the fight against COVID-19, on May 1, 2020, Governor Herbert issued an Executive Order that formally placed the state of Utah under "Moderate Risk" protocols for COVID-19. This action was pursuant to the "*Utah Leads Together Plan*" ("Plan") that applies to Utah individuals and businesses. Amended guidelines were provided in the second version of the Plan released on April 17, 2020. "We aren't returning to business as usual yet," Gov. Gary Herbert said. "In fact, we will not return to -'normal'- for a significant period of time."

When your management team and board of directors ultimately decide it is rational, reasonable, and in the interest of your employees and members to return your credit union to more normal office and branch functions, again please provide: (1) Adequate notice to your members and (2) Inform the appropriate Department industry supervisor of the date and time of the action.

The National Credit Union Administration (NCUA) should be consulted regarding any requirements or notices they may have.

Broad Guidance

I have been asked to provide some guidance to credit unions approaching the decision to bring employees back and re-open office lobbies within the parameters of the “Phased Business Guidelines.”

As credit unions begin discussions on when to re-open offices most general questions have already been addressed by the Governor and the COVID-19 Task Force in a few documents. When Gov. Herbert moved Utah to the “Moderate Risk” phase of the Plan version 2.0, there was an Addendum to that Plan entitled, *“Phased Guidelines for the General Public and Businesses to Maximize Public Health and Economic Reactivation Version 4.1”* (“Addendum”), which was updated. While there is no section of this Addendum specifically addressing “Banking or Financial Services,” there are three sections providing general guidance. Starting on page 2, *“Overview of Guidelines for General Public and Employers,”* starting on page 7 *“General Employer Guidelines Intended for Use in All Industries,”* and on page 16 *“General Guidelines for Employers.”* There are other sections of the Addendum that address ancillary businesses, such as Retail, that could be reviewed for additional insight. Finally, there is also a *“FAQs Section for Phased Business Guidelines”* (“Guidelines”) that you may find particularly helpful.

From my perspective, in the state’s Moderate Risk Phase, the current status of Utah credit union operations is adequate, where members are generally invited to use on-line banking services including deposits, credit or debit cards, drive-up services, and with an appointment, lobby services. The over-riding guideline in the Plan is that all employees who can work from home continue to do so. Banking services are generally available to members, although at a reduced level. I have not been made aware of any pent-up demand to increase those levels of service, or to conduct business differently than what is the temporary norm today.

While your credit union management team and directors must decide what actions you will take pursuant to the Plan, Addendum, Guidelines and in consultation with local authorities, there are areas where banking may be unique or require further considerations.

Face Coverings

A unique issue for credit union security is where the Plan envisions that face coverings will be worn by all employees and members in public settings where other social distancing measures are difficult to maintain. For credit unions face coverings are a very real security issue. Face coverings and credit union lobbies do not go well together. Upon consulting with my state regulatory peers, where some state-chartered credit union offices remained open or are just now considering opening, they have door “greeters.”

The greeters are located at the entrance, either on the outside or inside where they: (1) Ask customers to lower their masks for a few seconds so the security cameras can record their presence and (2) Control the traffic volume to ensure social distancing. Another potential security control is to consider posting written notice at entrances asking members to please momentarily lower their face covering as they enter then they can return to its normal position.

High-Risk Individuals

The Plan, Addendum and Utah Labor Commission in their “Protecting High-Risk Individuals” define High-Risk Individuals and make recommendations for the workplace. All documents stress the importance of accommodating high-risk employees. The documents envision reasonably accommodating employees who request any change in their work duties or environment.

Serving high-risk members is reasonably accomplished through on-line banking, drive-ups and individual reservations for lobby service. If there is a desire to enhance that service with additional office availability, there is the example of retailers that have provided extra or special hours for high-risk members where the expectation is that there will be fewer individuals present.

While there are many recommendations listed above, credit union management has, as in all areas, a great deal of latitude on determining what actions are appropriate for the safe conduct of business and serving members effectively.

The Department considers this guidance as an open document and as circumstances warrant further guidance may be issued.



G. Edward Leary
Commissioner