



Illinois Department of Financial and Professional Regulation

Division of Financial Institutions

JB PRITZKER
Governor

DEBORAH HAGAN
Secretary

FRANCISCO MENCHACA
Director
Division of Financial Institutions

AUTHORIZATION OF EXPERIMENTAL PROJECT PURSUANT TO 205 ILCS 305/8(10)

WHEREAS, the World Health Organization recognizes the novel-coronavirus (“COVID-19”), a contagious respiratory virus as a pandemic that is affecting numerous countries worldwide; and

WHEREAS, on March 9, 2020, and April 1, 2020, the Governor of the State of Illinois, JB Pritzker, issued emergency proclamations due to the increased presence of COVID-19 in multiple Illinois counties; and

WHEREAS, on March 13, 2020, the President of the United States of America, Donald J. Trump, declared a national emergency in response to the COVID-19 pandemic; and

WHEREAS, the Federal Government, State of Illinois, and units of local government have enacted emergency economic assistance programs including, but not limited to, the United States Small Business Association’s Paycheck Protection Program, to assist individuals and businesses which have been adversely affected by the COVID-19 pandemic and may enact additional programs in the future; and

WHEREAS, the involvement of financial institutions is necessary to fully implement some of the emergency assistance programs; and

WHEREAS, the Illinois Department of Financial & Professional Regulation charters and regulates Illinois state-chartered credit unions pursuant to the Illinois Credit Union Act, 205 ILCS 305/1, *et. seq.*; and;

WHEREAS, many regions of Illinois have Illinois state-chartered credit unions which lack the size, scope and resources necessary to participate in the emergency government programs created in response to the COVID-19 pandemic. In addition, liquidity restraints may limit the ability of some Illinois state-chartered credit unions to fund all the requests for relief pursuant to these emergency assistance programs; and

WHEREAS, some Illinois state-chartered credit unions have the size, scope and resources to assist both their members and members of other Illinois state-chartered credit unions impacted by the COVID-19 pandemic; and

WHEREAS, maximum access to any emergency government assistance programs created in response to the COVID-19 pandemic furthers the state goal of slowing the spread of COVID-19; and

WHEREAS, pursuant to 205 ILCS 305/8(10) the Secretary of the Illinois Department of Financial & Professional Regulation has the power to authorize, foster or establish experimental, developmental, demonstration or pilot projects by public or private organizations including credit unions which: (a) promote more effective operation of credit unions so as to provide members an opportunity to use and

control their own money to improve their economic and social conditions; or (b) are in the best interests of credit unions, their members and the people of the State of Illinois.

WHEREAS, an experimental and temporary project as described below may provide information relating to the effective regulation and operation of credit unions during future pandemics or other state or federal disasters.

NOW THEREFORE, I, DEBORAH HAGAN, Secretary of the Illinois Department of Financial & Professional Regulation, **DO HEREBY FIND**.

1. I have jurisdiction over the parties and subject matter herein; and
2. Authorizing an experimental and temporary project permitting state-chartered credit unions to offer current and future government programs created as a result of the current COVID-19 pandemic to members of other Illinois state-chartered credit unions would promote the more effective operation of Illinois state-chartered credit unions so as to provide members an opportunity to use and control their own money to improve their economic and social conditions and is in the best interests of Illinois state-chartered credit unions, their members, and the people of the State of Illinois subject to the limitations enumerated below.

WHEREFORE, the Illinois Department of Financial & Professional Regulation authorizes state-chartered credit unions to offer current and future government assistance programs created as a result of the current COVID-19 pandemic to members of other Illinois state-chartered credit unions through September 30, 2020, under the following conditions:

- Maintain adequate documentation demonstrating that the individual or business seeking assistance through the credit union from a current or future government assistance program created in response to the current COVID-19 pandemic: (1) was as of March 9, 2020, and continues to be a member of an Illinois state-chartered credit union, and (2) that the Illinois state-chartered credit union to which the individual or business belongs is unable or unwilling to provide assistance to them pursuant to the terms of the applicable government assistance program created in response to the COVID-19 pandemic.

Any Illinois state-chartered credit union who participates in this experimental and temporary project must comply with all applicable laws, including but not limited to, the Illinois Credit Union Act and its implementing regulations, and take reasonable steps to ensure its participation will not adversely affect the safety and soundness of the credit union.

DATED THIS 10 **DAY OF APRIL 2020**

**ILLINOIS DEPARTMENT OF FINANCIAL &
PROFESSIONAL REGULATION
DEBORAH HAGAN, SECRETARY**

By:

