



NCUA Media Release

NCUA: Video Tellers Can Function as “Service Facilities”

Opinion Notes Technology Will Improve Access, Keep Credit Unions Competitive

ALEXANDRIA, Va. (Aug. 9, 2012) – Credit unions that want to offer consumers more service options through video teller machines can consider the new machines “service facilities” under certain criteria, the National Credit Union Administration (NCUA) announced today.

“Credit unions need to embrace new technologies that allow them to improve and expand service,” NCUA Board Chairman Debbie Matz said. “Likewise, it is important for us, as the industry’s regulator, to stay in sync with changes in the marketplace, including changes in technology. Through my Regulatory Modernization Initiative, NCUA is reviewing the rules governing emerging technologies while reducing the overall regulatory burden. The use of video tellers as service facilities is sensible for both credit unions and consumers.”

Under the legal opinion, credit unions may use video tellers as service facilities for both select group additions and underserved areas. To comply with the definition of a service facility under the Federal Credit Union Act (FCUA) and the NCUA Chartering Manual, a video teller must:

- Provide real-time, face-to-face video access to live tellers at regularly scheduled, weekly hours;
- Use credit union employees or local shared-branch employees as tellers appearing on the screen;
- Allow a member to conduct all the transactions she or he could if visiting a service facility of another sort permitted by the FCUA and the Chartering Manual; and
- Be in a physical location within an underserved area or a physical location in reasonable proximity to the group being served for group additions.

Video tellers and other self-service technologies are becoming more popular as credit unions seek to give members more options, expand their reach into underserved areas, and improve efficiency. The NCUA legal opinion is available at <http://www.ncua.gov/Legal/Regs/Pages/OL201211-0965.aspx> .

NCUA is the independent federal agency created by the U.S. Congress to regulate, charter, and supervise federal credit unions. With the backing of the full faith and credit of the U.S. Government, NCUA operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of nearly 92 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.

- NCUA -