

**Washington DFI - Division of Credit Unions**  
**COVID-19 Questions and Answers**  
**Updated April 16, 2020**

**Question:**

Is safety deposit box (SDB) access considered an essential business function of a credit union?

**Answer:**

Yes, SDB access is considered an essential business function. A credit union should do everything it can to allow its members to continue to have access to their SDBs. There are many circumstances where a member may need immediate access to their SDB, for example, needing access to a will. If a member were denied access to their SDB, the publicity could be very unfavorable. Additionally, Governor Inslee's [Executive Order](#) (EO) listed "financial services" as essential businesses. The EO states that the "essential workforce" for financial services includes "Workers who are needed to provide consumer access to banking and lending services..." Consumer access would include access to a SDB.

One credit union CEO provided the following information about how they are handling safety deposit box access while reducing the spread of the COVID-19 virus:

- We are allowing lobby appointments for essential services, such as SDB access and major items that cannot easily be resolved via the telephone or drive-up window.
- We limit the number of members allowed in the lobby at any one time, and limit the desks and viewing rooms "touched" during those interactions.
- We installed plexi-glass barriers for all lobby tellers and are installing them at our personal financial representative desks. We plan to maintain these barriers in the future.

**Question:**

For real estate loan signing and notary/signature guarantee services, do you have any recommendations?

**Answer:**

The Governor signed [Proclamation 20-27](#) removing the Remote Electronic Notary delayed effective date, which should help with this issue. *If this proclamation does not address the problems you are running into or anticipate running into, please let me know.*

Here is an excerpt from the Proclamation:

FURTHERMORE, based on the above situation and under the provisions of RCW 43.06.220(2)(g), I also find that strict compliance with the following statutory obligations or limitations will prevent, hinder or delay necessary action in providing relief to vulnerable populations and the businesses and professionals that serve them in the provision of estate and end of life planning, travel and adoptions, while applying appropriate social distancing measures, by removing the delayed effective date of and allowing for the new electronic notary services provisions authorized by, Senate Bill (SB) [5641](#), An Act relating to

electronic notarial acts by remotely located individuals, Chapter 154, Laws of 2019, and codified within RCW 42.45, to take effect immediately, which relief is necessary for coping with the COVID-19 State of Emergency under Proclamation 20-05, and that the specific effective date provisions in Section 10 of SB 5641 is hereby waived and suspended, effective March 27, 2020 until midnight on April 26, 2020. [The date can be extended].

The Governor's proclamation opened the option for using existing remote notary services. Title companies are now accepting those services (you should check first) as a result of the proclamation, although one needs to confirm that a particular county recorder would accept them for real estate documents. The Department of Licensing (DOL) adopted an [emergency rule](#) which allows a Washington Notary Public to perform remote notarization. DOL provides a [license lookup](#) option, however the remote notary endorsement may need to be verified.

**Question:**

Would a conflict of interest exist if the Credit Union processes the PPP loans for businesses owned by members of the board of directors?

**Initial Answer:**

NCUA has advised that CUs will not be able to make PPP loans to their directors or officers because SBA's regulations do not allow lenders or their associates, which includes directors and officers, to apply for these loans. The SBA's regulations, cited in their IFR, say certain businesses are not eligible for PPP loans, including financial businesses such as credit unions. See 13 CFR 120.110. In addition, that regulation says that businesses in which the lender or any of its Associates owns an equity interest are also not eligible. See 13 CFR 120.110(o). Associate of a Lender includes an officer or a director. See 13 CFR 120.10(1).

The IFR also cites to the SBA's standard operating procedures manual which says that a Lender or any of its Associates may not obtain an equity interest, either directly or indirectly, in the applicant.

**Revised Answer:**

- With the NCUA's recent rule change, directors now have the ability to have PPP loans through their credit union ([pages 14-15](#))