

Congress of the United States

Washington, DC 20515

June 20, 2025

Kyle S. Hauptman
Chairman of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Dear Chairman Hauptman:

We write today to request information regarding the operations of the National Credit Union Administration (NCUA) Board in the wake of the illegal firings of NCUA Board Members Todd Harper and Tanya Otsuka. Specifically, we seek clarification on the Board's legal authority to conduct standard NCUA business in the absence of a quorum and request additional documentation to better understand the NCUA Board's recent actions.

Despite the critical importance of a fully staffed board to NCUA operations, President Trump unlawfully fired NCUA Board Members Todd Harper and Tanya Otsuka on April 16, 2025. As a result, you are the only Board Member remaining at the NCUA.¹ In response, we wrote to the NCUA Office of Inspector General requesting an investigation of your authority to continue full agency operations with only one Board member.²

Our letter requested information on what legal analysis, if any, the NCUA or other Administration officials conducted to assess the firings' impact on the NCUA Board; copies of all written communications and documents between NCUA officials, the White House, and other Administration officials regarding the decision; and a list of actions taken by the NCUA Board on or after April 16, 2025.³

The IG response included troubling information that suggests neither the NCUA or the White House understands what actions the agency can lawfully take in the wake of the firings. According to documents provided to us by the IG, "when there is only one NCUA Board member...serving on the Board," individual Board Members may "carry out any *essential function* of the NCUA Board" [emphasis added].⁴

¹ Reuters, "Trump fires Democratic board members of the credit union watchdog," Pete Schroeder, April 16, 2025, <https://www.reuters.com/world/us/trump-fires-democratic-board-members-credit-union-watchdog-statements-2025-04-16/>.

² Letter from Ranking Member Warren and Ranking Member Waters to National Credit Union Administration Inspector General James Hagen, April 29, 2025, <https://www.banking.senate.gov/imo/media/doc/Warren-Waters%20Letter%20to%20NCUA%20OIG%20re%20NCUA%20Firings.pdf>.

³ *Id.*

⁴ National Credit Union Administration, Delegations GEN 5A, September 2011, <https://www.banking.senate.gov/imo/media/doc/DELEGATIONS%20GEN%205A.pdf>.

However, the IG was unable to produce any documentation that delineates between essential and non-essential functions.⁵

This agency is responsible for the safekeeping of the \$2.3 trillion in assets in the credit union system⁶, most of which are the deposits of hardworking Americans saving for college, to buy a home, or saving for retirement. Credit unions currently serve more than 142 million members, and the absence of any meaningful description of what the agency can do during periods of time when it has a one-person Board raises serious concerns and questions.⁷

Moreover, there is significant evidence to suggest that the NCUA Board cannot fully function with only one Board member. By statute, the NCUA Board “shall consist of three members” and “a majority of the Board shall constitute a quorum.”⁸ The Board has broad authority to oversee federal credit unions, including the power to prescribe rules and regulations.⁹ The Board’s regulations at 12 C.F.R. § 791.2 make clear that “[t]he agreement of at least two of the three Board members is required for any action by the Board.”¹⁰ The regulations also provide that the Board cannot hold regular meetings if “a quorum is not available.”¹¹

The IG provided documents showing the delegation of certain authorities to the Chair. For example, the Chairman of the Board was given the authority to act unilaterally during emergencies. “In an emergency situation,” the NCUA Board Chair may temporarily “revoke” certain delegations “to any staff person”¹²; “exercise all HR authorities retained by the Board”¹³; place certain senior officials on administrative leave¹⁴; and, the Chair, “in a state of national emergency,” may also exercise all authorities retained by the Board.”¹⁵

Notably, however, the NCUA is not currently in a state of emergency, and outside of emergency situations, Board Members’ ability to act is more limited. According to the IG, the Board has acted on eleven Board Action Memorandums (BAMs) on or after April 16, 2025.¹⁶ The IG found that “former Board Member Todd Harper voted yes” on one of the eleven items prior to his

⁵ Letter from Acting Inspector General Marta Erceg to Ranking Member Warren and Ranking Member Waters, May 6, 2025, <https://www.banking.senate.gov/imo/media/doc/Response.pdf>.

⁶ America’s Credit Unions, “NCUA releases 4Q credit union system data, summaries, graphics,” March 12, 2025, <https://www.americascreditunions.org/news-media/news/ncua-releases-4q-credit-union-system-data-summaries-graphics>.

⁷ National Credit Union Administration, “Credit Unions’ Loans, Assets, and Delinquencies Rise; Net Income Down,” December 2024, <https://ncua.gov/newsroom/press-release/2024/credit-unions-loans-assets-and-delinquencies-rise-net-income-down>.

⁸ 12 U.S.C. § 1752a.

⁹ 12 U.S.C. § 1766.

¹⁰ 12 C.F.R. § 791.2.

¹¹ 12 C.F.R. § 791.5.

¹² National Credit Union Administration, Delegations HR 2, May 2022, <https://www.banking.senate.gov/imo/media/doc/DELEGATIONS%20HR%202.pdf>.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ National Credit Union Administration, Delegations GEN 5A, September 2011, <https://www.banking.senate.gov/imo/media/doc/DELEGATIONS%20GEN%205A.pdf>.

¹⁶ List of Board Action Memorandums taken as of April 16th, 2025, May 6, 2025, https://www.banking.senate.gov/imo/media/doc/List_May%206_Redacted.pdf.

firing on April 16.¹⁷ Otherwise, however, you appear to have acted on the BAMs unilaterally, again without any consideration of whether these actions are “essential function[s] of the NCUA Board.”¹⁸

To help us better understand the legitimacy of the Board’s activities during this time, we request the following information no later than July 7, 2025:

1. What constitutes an “essential function” of the NCUA Board?¹⁹ Please provide the statutory provision this authority is based on, and provide copies of all documents that include any official definition or description of this term. If no documents exist, please provide examples of past actions of the NCUA Board that have been deemed an “essential function” and why.
2. For each of the eleven BAMs the IG identified as having been acted on since April 16th ²⁰, please explain whether any qualify as an “essential function,”²¹ as identified in Question (1). If you identify any of the BAMs as an essential function, please explain why. Please provide any contemporaneous legal analyses justifying this determination, including on what statutory provision this analysis is based on.
3. What constitutes “an emergency situation” under the NCUA’s delegation authority?²² What constitutes “a state of national emergency?”²³ Please provide copies of all documents offering official definitions or descriptions of these terms, including on what statutory provisions this authority relies on. If no documents exist, please provide examples when this emergency authority was invoked by NCUA.
4. Is the NCUA currently operating in “an emergency situation” or in “a state of national emergency?” If so, please provide all written communications and documents, including but not limited to meeting schedules, records, analysis, and other correspondence between NCUA officials, and between NCUA officials and other administration officials, regarding the emergency situation or state of national emergency.
5. Are there additional delegation authorities, if any, at the NCUA relevant to the Chair’s ability to act individually in the absence of a quorum? If so, please provide a detailed description of those delegations, along with any legal analysis and statutory provisions that provide such authority.

¹⁷ Letter from Acting Inspector General Marta Erceg to Ranking Member Warren and Ranking Member Waters, May 6, 2025, <https://www.banking.senate.gov/imo/media/doc/Response.pdf>.

¹⁸ National Credit Union Administration, Delegations GEN 5A, September 2011, <https://www.banking.senate.gov/imo/media/doc/DELEGATIONS%20GEN%205A.pdf>.

¹⁹ *Id.*

²⁰ List of Board Action Memorandums taken as of April 16th, 2025, May 6, 2025, https://www.banking.senate.gov/imo/media/doc/List_May%206_Redacted.pdf.

²¹ National Credit Union Administration, Delegations GEN 5A, September 2011, <https://www.banking.senate.gov/imo/media/doc/DELEGATIONS%20GEN%205A.pdf>.

²² National Credit Union Administration, Delegations HR 2, May 2022, <https://www.banking.senate.gov/imo/media/doc/DELEGATIONS%20HR%202.pdf>.

²³ National Credit Union Administration, Delegations GEN 5A, September 2011, <https://www.banking.senate.gov/imo/media/doc/DELEGATIONS%20GEN%205A.pdf>.

6. The IG “was informed that no one at the NCUA, including the Board Chairman and Chief of Staff, knew about the removals until after they occurred, so there were no communications between NCUA officials and the White House or other administration officials” in advance of the firings.²⁴ Please confirm this. Additionally, what communications between NCUA officials and the White House or other administration officials regarding the firings occurred on or after April 16, 2025? Please provide copies of all written communications and documents, including but not limited to, meeting schedules, records, analysis, and other correspondence.
7. Given that independent agencies, like NCUA, are now required by a Presidential Executive Order to submit draft regulations for approval by an office within the White House’s Office of Management and Budget (OMB), have you or your staff had any communications with such White House officials about whether NCUA is able to issue regulations as a one-member Board? If so, please provide copies of all written communications and documents.
8. In an email to the NCUA General Counsel and Deputy General Counsel on April 16, 2025, the NCUA Chief of Staff indicated that she wanted to “talk briefly about any risks we might face going forward” related to the firings.²⁵ What “risks” did the Chief of Staff, General Counsel, Deputy General Counsel, and other NCUA officials identify as facing the NCUA in the wake of the firings?

We look forward to your prompt reply to our questions.

Sincerely,



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs



Maxine Waters
Ranking Member
Committee on Financial
Services

²⁴ Letter from Acting Inspector General Marta Erceg to Ranking Member Warren and Ranking Member Waters, May 6, 2025, <https://www.banking.senate.gov/imo/media/doc/Response.pdf>.

²⁵ Email from National Credit Union Administration Chief of Staff Sarah Bang to General Counsel Frank Kressman and Deputy General Counsel Kevin Tuininga, April 16, 2025, <https://www.banking.senate.gov/imo/media/doc/Email.pdf>.