



Illinois Department of Financial and Professional Regulation
Office of the Secretary

BRUCE RAUNER
Governor

BRYAN A. SCHNEIDER
Secretary

August 29, 2017

Mr. Gerard Poliquin
Secretary to the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Re: Illinois Department of Financial and Professional Regulation Comments on OTR Methodology

Dear Mr. Poliquin:

The Illinois Department of Financial and Professional Regulation (IDFPR) is pleased to respond to National Credit Union Administration's (NCUA's) request for comments on the methodology used to establish the Overhead Transfer Rate (OTR).

IDFPR supervises 191 federally insured credits unions (FICUs) and 20 privately insured credit unions (PICUs) with \$37 billion in assets. As NCUA's partner supervising FICUs, IDFPR believes the proposed revisions to the OTR methodology represent a step in the right direction of restoring an equitable balance to the cost allocations of the National Credit Union Share Insurance Fund (NCUSIF).

IDFPR's professional regulators' association, the National Association of State Credit Union Supervisors (NASCUS), has filed an extensive comment letter regarding this proposal on behalf of the state regulatory system and IDFPR submits this letter in support of NASCUS' comments, in particular those comments addressing the responsibility of the chartering authority.

As the chartering authority for Illinois-state-chartered credit unions, it is IDFPR's responsibility to ensure that any entity we charter is operating in a safe and sound manner: regardless of its deposit insurance coverage. To fulfill our responsibility, IDFPR will perform 153 full examinations and 23 follow up examinations in 2017. NCUA, as the chartering authority for federal credit unions (FCUs), has a similar safety and soundness obligation for the entities it charters. That the proposal recognizes that responsibility is appropriate.

Thank you for considering our views on this important matter.

Very truly yours,

Bryan A. Schneider
Secretary