



Educating Our Members To Reach Their Financial Goals

12/27/2010

Ms. Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: Notice of Proposed Rulemaking for Part 704 – Corporate Credit Unions

Dear Ms. Rupp:

I am President/CEO of a state-chartered, privately-insured credit union in Compton, California totaling \$24 million in assets. I am very concerned and against the proposed regulations under Part 704. I cannot believe that an agency such as the NCUA, who has no regulatory control over our credit union, nor insures the deposits of our credit union, can attempt to circumvent federal law through rulemaking.

Since the Temporary Corporate Credit Union Stabilization Fund (TCCUSF) was created by federal law and is a government entity, the NCUA is effectively taxing non-FICUs by requiring a "voluntary contribution" be paid to the TCCUSF. Non-FICUs are not bound by contract with the NCUA, or required under their respective state statutes, to pay for federal share insurance losses. Accordingly, the NCUA has no regulatory or contractual authority over non-FICUs. Making non-FICUs pay the TCCUSF premiums would be like forcing a FICU to pay FDIC premiums if they plan to use the services of an FDIC-insured bank that is facing premiums due to losses in other FDIC-insured banks.

Our credit union is quite dependent on services, and values our relationship with, our corporate credit union. I hope your agency will reconsider the amendments as proposed.

Respectfully submitted,

Melia Keller
President/CEO
Mid-Cities Financial Credit Union