

April 30, 2014

National Credit Union Administration
Gerald Poliquin, Secretary of the Board
1775 Duke Street
Alexandria, VA 22314-3428

RE: Comments on Proposed Rule 710

Dear Gerald Poliquin,

I am writing on behalf of the California and Nevada Credit Union Leagues (Leagues), one of the largest state trade associations for credit unions in the United States, representing the interests of more than 400 credit unions and their 10 million member-consumers. The Leagues welcome the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule regarding voluntary liquidations.

While there are very few voluntary liquidations annually, the Leagues support the proposed rule and applaud the NCUA for its efforts to modernize the rule and reduce administrative burdens.

Specifically, the NCUA proposes the following amendments:

- Permit voluntarily liquidating FCUs to publish required creditor notices in electronic media reasonably calculated to reach the general public in the area or areas where the FCUs do business.

The Leagues support this amendment and believe it will increase efficiency and decrease costs.

- Increase the asset size threshold applicable to publication requirements, specifically:
 - Increase from \$5 million to \$50 million the threshold for requiring multiple creditor notices.
 - Exempt FCUs with less than \$50 million in assets from the multiple publication requirement; requiring the notice be published only once.
 - Exempt FCUs with less than \$1 million in assets from the publication requirement. (Currently, FCUs with less than \$500,000 are exempt.)

The Leagues agree with these proposed changes and aligning the threshold with NCUA's definition of small credit unions.

- As related to partial distributions to members, which are subject to the Regional Director's approval, the proposed rule: (a) specifies that the pro-rata distributions must not exceed the insured limit of each member's share account, and (b) clarifies that an FCU must calculate pro rata distributions based on the members' share balances as of the date the members voted to approve the liquidation or the date on which all share drafts cleared, whichever is later.

The Leagues agree these two requirements make sense and are not harmful to the credit union's members as they do not affect the members' ability to receive the remainder of their balances after the liquidation is completed.

- Permit voluntarily liquidating FCUs to distribute member share payouts either by wire or other electronic means approved by a member or by mail or personal delivery.

The Leagues support this amendment and NCUA's recognition of the outdated requirement to issue checks to each member. This option will increase efficiency and reduce costs for the credit union, as well as decrease the amount of time members wait to receive their funds.

In conclusion, the Leagues fully support the proposed rule and appreciate the NCUA taking steps to update the rule.

Thank you for the opportunity to comment on the Proposed Rule regarding voluntary liquidations and for considering our views.

Sincerely,

Diana R. Dykstra
President and CEO
California and Nevada Credit Union Leagues

cc: CCUL