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NCUA Board Member**

**Remarks before
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Thank you Bill for that fine introduction and for the outstanding job you do as CEO of the Credit Union Association of New York. Your organizational skills and leadership qualities are well known nationwide. Your selection as Chairman of the American Association of Credit Union Leagues is a clear indication of your knowledge of and dedication to credit unions in New York and across this country. I commend you for your efforts.

I am pleased to be with you today at the Sagamore Resort in beautiful Lake George. This is an extraordinary setting in a truly extraordinary state. It is with good reason they call this the Empire State, with New York City at one corner, the Great Lakes at another, the nation's largest park in the northern portion and wonderful resources, cities, and recreation scattered throughout the entire state. It is always an exciting place to visit.

I note with great satisfaction, that New York credit unions are doing exceptionally well. Collectively, New York credit unions are performing better than the averages for all credit unions across the country.

So far this year, New York credit unions have grown membership nearly *two thirds* the national average at 4.8%. New York Credit Unions have grown shares at the national average of 18.7%, have grown loans at 3.9% nearly 10 times the national average of .04% and have grown capital at 8.5%, a slightly faster pace than the national average of 8.4%. These are extraordinary results, but these are the kind of results one would expect of a state whose nickname is the Empire State. I urge you to maintain this notable record and this commendable momentum.

I am not sure when New York began calling itself the Empire State, but I know it would never have grown to its astonishing importance without a lot of determination and hard work. I know it did not happen by itself. It happened even in the face of very capable and determined competition.

Recently, I read a book called Theodore Rex by Edmund Morris about the presidency of Theodore Roosevelt. Some forty miles north of here is New York's highest point, Mount Marcy, in the heart of the Adirondacks. It was at a small campsite near the summit in September 1901 that Theodore Roosevelt learned President McKinley was dying of an assassin's bullet and that he would very soon become president of the United States. Imagine his surprise.

Roosevelt was 43 years old and now was going to lead the nation. The messenger had trudged up by foot to Roosevelt's camp to deliver the message – even in our day I doubt this location can be

reached any other way, including communication by cell phone. Roosevelt had to hike down to a rough road then ride in a farmer's wagon more than 20 miles to the nearest rail junction called North Creek.

He first had to travel to the late President's bedside which was in Buffalo. Then he escorted McKinley's casket on a train to Washington, D.C. While on this train ride to the nation's capital, Roosevelt noted the crowds of mourners who lined the track in respect to the late President.

But he also noted how quickly they turned from the railroad tracks once the train had passed, to return to their jobs, and he reflected that despite the harshness of some of those jobs, the working men and women seemed eager to be about doing their tasks. Seeing them turn back to their work reinforced Roosevelt's own conviction that America was a working and energetic nation.

Roosevelt had become the president of a country on the cusp of greatness, emerging from a rural and frontier nation to one that would assume leadership from European nations that were restrained by aristocracies and seeking growth more from exploitation of overseas colonies than producing ideas and quality products at home.

The United States at this time was somewhat of a mixture: both rugged frontier and highly sophisticated. The nation had serious problems – rural and urban poverty, child labor and miserable working conditions and monopolistic corporations disturbingly oriented to ravage consumption of natural resources. On the other hand, the nation had in the 1880s surpassed Britain as the largest producer of steel in the world and by 1900 produced almost as much steel as both Britain and Germany combined. The nation had seen some hard times – the depression of the mid-1890s was the most serious in the nation's history up to that time – but it had the energy to come back strong. The people of our nation could see that they could overcome any problem if they put their mind to it.

The credit union movement today is similar to the United States under President Roosevelt. The nation under Roosevelt was emerging from humble beginnings. It had been small but was becoming large. It had known bad economic times, but it had proved that it could survive them. It was showing that it had the governance structure for cooperation and advancement. It could sense that it was on the threshold of great things.

Credit unions began small. in many instances with a coffee can and just a handful of persons around a lunch table, putting up five, ten or twenty dollars. Credit unions now hold nearly one trillion dollars in deposits and are close to overtaking savings & loans by becoming the second largest sector of financial services in the United States.

This is an astonishing achievement. But, of course, achievement and work are in American blood; rooted deep within our DNA.

In the 1900s, our country needed enthusiasm, vision, and energetic leadership. Teddy Roosevelt provided these. He was one of our great presidents because he, for one, saw and understood the nation's problems, and for another, had the energy and willpower to wrestle with those problems despite some fierce political opposition.

He helped tame the monopolistic corporations, set aside huge acreage of forest and natural resources land for the future benefit of the nation, improved laboring conditions, cajoled the nation into one of the greatest engineering feats ever attempted – the building of the Panama Canal -- and brokered peace to end the Russo-Japanese War. From 1901 to 1908 he moved the nation fiercely in the correct direction.

And as you all know teddy Roosevelt was a New Yorker. He was born in New York City, served as its police commissioner, and built his home – appropriately named considering where we are gathered today – Sagamore Hill in Oyster Bay, Long Island.

I believe Teddy Roosevelt had a keen sense that the nation was on the brink of real breakthroughs. I think the credit union movement is now like the nation was back then. We have come through some rough patches but we have a terrific heritage. We started very small but are about to surpass the savings and loan industry in collective assets, just as America surpassed Britain in steelmaking, which was then a very important measure of a nation's strength. Right now ordinary Americans are seeing the pocket-book advantages of credit unions and opening accounts in record numbers. The credit union business-model makes sense to more and more people every day. People are seeing the advantage of an organization whose board of directors is pledged to work not for a profit but solely for the benefit of the persons who join.

This is an exciting time. You can be Teddy Roosevelt. You can take the reins of a movement that is poised on the cusp of greatness, of great expansion, of new popularity. Think how the United States under Theodore Roosevelt has changed to the nation of today. Can credit unions change and grow and improve that much in the next 20 years? I think they can. We are not a mature industry; we are a dynamic and developing industry. You can take the reins. Think like the Empire State that you are. I believe every household in America should have and can have a credit union account. What household would not benefit from credit union services? You need to set that as something to aim for.

And then one account can become five, and five accounts can lead to mortgages, auto loans, small business loans, all serving to help those families keep more of their hard-earned pay than they could by using alternative financial services. The United States can become a credit union nation.

You need to avoid looking at the problems that might be in your way. I recall a quote I once saw on a church message sign. It read: “Obstacles are the frightful things you see when you take your eye off the goal.” You must keep your eye on the goal. Don't look back; look forward. Seize the moment and keep it going. The nation is with credit unions so you must keep this momentum alive as we move forward.

At NCUA we continue to meet the challenges we face head on. Our corporates have come through a period of great trial and constraint. As a result of credit unions deciding the future of corporates, they are stronger and safer Today and in a better position to provide the services credit unions want and need.

We continue to pursue those that contributed to the corporate crisis and have reduced the corporate debt with underwriter settlements totaling over 170 million dollars with more to follow. NCUA is the only federal regulator to aggressively pursue such action and achieve those results.

We continue to revise regulations and make an effort to reduce the regulatory burden as recently shown with the modifications to reg flex and troubled debt restructuring. In the coming months we will address regulations relating to CUSO's, loan participation, emergency liquidity and derivatives Taking into consideration industry comments and suggestions on how best they should be worded.

Our staff continues to evolve with outside hires to bring fresh eyes and new ideas and approaches/ as to how we regulate and insure the safety and soundness of the credit union industry and the share insurance fund.

And on July first of this year, the implementation of the new National Supervision Policy Manual will insure fair and consistent exams for all credit unions across the entire country.

Here in New York, you need to show the determination and hard work that made this the Empire State. You must create the best financial services products in the world. My message remains the same, if you believe that America rose to its great level of achievement because of people helping people, show it by being the preeminent people-helping-people organizations in the nation. If you believe that America can employ all of its people who want to work, then lead the way/ by helping businesses and building communities.

Do not let this Opportunity slip away. We have come through a very bad financial period but we showed the country that credit unions remained true to their principles – they kept on lending, kept on helping their members and one another, and did not cost the American taxpayers a single dollar.

Take this opportunity to boost credit union participation and good works to an even higher level.

I urge each of you to do your part, as members of the premier financial services movement in the country, to use the credit union philosophy to bring America home to its tried and tested values of work, achievement and helping others.

This is the Empire State. You can and you must lead the way.

Thank you for inviting me here today. Thank you for listening. May God bless the Empire State and may God bless the United States of America.