



September 3, 2013

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

Re: NASCUS Comments on Notice of Proposed Rulemaking for Parts 741 and 748, Filing financial and other reports

Dear Ms. Rupp:

The National Association of State Credit Union Supervisors (NASCUS)¹ submits the following comments in response to NCUA's proposed changes to NCUA Rules and Regulations, Parts 741 and 748, to require federally insured credit unions file financial and regulatory reports to NCUA electronically. NASCUS believes that it is within a regulator's purview to determine the manner in which entities within its jurisdiction file regulatory reports.

In the present case, as the chartering authority for federal credit unions and the share insurance administrator for federally insured state-chartered credit unions, NCUA has the authority to require the submission of financial reports to determine insurability, and therefore has the authority to determine those reports should be filed electronically. In determining the manner in which reports should be filed, the burden upon the filers should be considered. We believe NCUA has done so.

NCUA notes in the proposal that electronic filing is the normal course of business for all but a very few credit unions. Furthermore, NCUA has made hardware and training available to federally insured credit unions through agency administered grants and programs reducing the obstacles for even the most modest-sized credit union to transition to electronic filing.

NCUA should make additional efforts to assist the remaining manual report filers, including working with state regulators with respect to any manually filing federally insured state-chartered credit unions. In addition, NCUA should provide an extended period for the manual filers to familiarize themselves with the electronic filing process.

NASCUS and state regulators remain committed to working with NCUA to mitigate material risk throughout the credit union system. We appreciate the opportunity to submit comments on this proposal and would be pleased to discuss these comments at NCUA's convenience.

Sincerely,

- signature redacted for electronic publication -

Brian Knight
General Counsel

¹ NASCUS is the professional association of the nation's state credit union regulatory agencies.