

September 1, 2017

To Whom It May Concern,

RE: Temporary Corporate Stabilization Fund Closure and Setting the Share Insurance Fund Normal Operating Level

I am writing to comment on the proposal to close the Temporary Corporate Credit Union Stabilization Fund (TCCUSF) and the proposal to raise the operating level for the Share Insurance Fund (SIF).

As I respect the NCUA's position to protect the safety and soundness of the credit union industry with respect to the share insurance fund, our credit union has a number of concerns with the recommendations in the current proposal.

1) CLOSE THE TCCUSF IN 2017 AND MERGE.

It is highly favorable to credit unions if the NCUA closes the TCCUSF in 2017. It will prevent the need to assess additional funds in 2017 and 2018 to meet capital standards, where in turn would be rebated to credit unions in 2018 and 2019 due to overfunding when the funds do indeed merge. This is a frivolous use of resources and capital targets could be met with an expedited merger of these funds without additional assessments.

2) REBATE METHOD

Funds should be returned to credit unions in the same manner the credit union paid. These should not be paid in proportion to what the credit union last paid. This creates inequity in credit union rebates due to their asset size.

3) TARGET RANGE

It is NCUA's fiduciary responsibility to insure all credit unions, and we support an increase in the overall range from 1.30% to 1.34% on a temporary basis to account for significant deposit growth in the last few years and uncertainty in the market. There are no statistically significant factors to further increase this target range. This fund would be over accrued due to potential but unknown risk and would be considered irresponsible. This is no different than a credit union over allowing for unknown potential risk in their allowance for loan loss account. In the event of a recession, our credit union would prefer to pay as needed rather than the NCUA increasing the Normal Operating Level to 1.39%.

I thank you for the opportunity to comment on this proposal.

Sincerely,

Lindsey Myhre
Chief Financial Officer
STCU – Spokane Teachers Credit Union