September 5, 2017

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

Re: Comments on Requirements for Insurance; National Credit Union Share Insurance Fund Equity Distributions

Dear Mr. Poliquin:

SELCO Community Credit Union (SELCO) appreciates the opportunity to provide comment to the National Credit Union Administration (NCUA) proposal to amend its share insurance requirements regarding equity distributions from the National Credit Union Share Insurance Fund (NCUSIF), and equity distributions resulting from the Corporate System Resolution Program.

As a federally-insured credit union, SELCO paid nearly $6 million to the Temporary Corporate Credit Union Stabilization Fund (TCCUSF) and lost an additional $2 million due to depleted corporate credit union capital as a result of the 2008 financial crisis. SELCO supports the proposal to merge the TCCUSF into the NCUSIF by the end of 2017 and provide rebates in 2018. This equity distribution will allow credit unions to put the money to work for their members more quickly and support industry growth initiatives.

SELCO believes the most equitable method to return these funds is in direct proportion to the amount paid by each individual credit union with rebates going only to credit unions that remain federally-insured.

SELCO does not support the proposal to increase the NCUSIF normal operating level to 1.39%, and urges the NCUA Board to consider maintaining the current level of 1.30%. Historically, an operating level of 1.30% has provided sufficient protection during economic downturns, and a mechanism already exists to assess premiums should operating levels fall below 1.20%. SELCO prefers to pay assessments as needed rather than reduce its current net worth to fund additional protection that may never be required.

Thank you for the opportunity to comment on this proposed rule and for considering our views on this issue.

Sincerely,

J. Robert Newcomb
Chief Executive Officer