



5050 Hopyard Rd
Pleasanton, CA 94588

December 2, 2019

Todd M. Harper, Board Member
NATIONAL CREDIT UNION ADMINISTRATION
1775 Duke St
Alexandria, VA 22314-3428

Re: Consumer Compliance Exams of Large Credit Unions

Dear Mr. Harper:

I am writing on behalf of Patelco Credit Union, a California state-chartered federally insured credit union, to provide comments on the National Credit Union Administration Board proposal to expand the consumer compliance examination program to monitor “large, complex” credit unions.

Under the existing regulatory framework, the NCUA already has examination and enforcement authority to monitor credit unions of all sizes. While the CFPB’s authority extends to consumer enforcement and examination for credit unions over \$10 billion in assets, adjustment for credit unions under this level should not be impacted by the CFPB’s presence.

Additionally, the NCUA Examiner’s Guide already provides an extensive framework for investigating various areas of risk, assessing overall compliance considerations, and the general supervision of credit unions. The National Supervision Policy Manual also outlines policies, procedures, and guidelines for quality assurance and supervision of credit unions. The proposed compliance exam expansion will unnecessarily expend financial resources in lieu of concentrating such resources on efficiently using the processes that already exist.

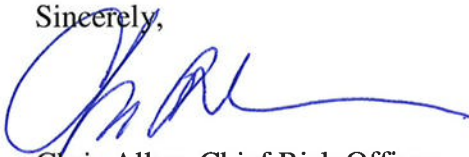
Our Credit Union believes that the NCUA’s existing processes are sufficient, and that the existing examination cycle provides ample opportunity for examiners to focus on particular areas of consumer regulation compliance. Examiners regularly examine for and address with credit unions issues under Regulation Z, Regulation E, MLA regulations, RESPA, fair lending, and numerous other areas. The only change would appear to be additional budget, additional scheduling concerns, and separate distraction for management and boards from the core mission of service to members. Small and medium credit unions (and even institution of our size) don’t need, and can’t afford, an “always active” audit process.

Todd M. Harper, Board Member
NATIONAL CREDIT UNION ADMINISTRATION
December 2, 2019
Page 2

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We appreciate the opportunity to provide input into the NCUA's proposal to create a consumer compliance program for credit unions. As always, we are available to discuss these comments at any time.

Sincerely,



Chris Allen, Chief Risk Officer
PATELCO CREDIT UNION