



The National Voice of the State Credit Union System

September 27, 2019

Gerard Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Re: NASCUS Comments on Notice of Proposed Guidance on Prohibitions Imposed by Section 205(d) of the Federal Credit Union Act

Dear Mr. Poliquin:

The National Association of State Credit Union Supervisors (NASCUS)¹ submits the following comments in response to the National Credit Union Administration's (NCUA's) request for comments on proposed changes to guidance implementing the Federal Credit Union Act's (FCUA) Section 205(d) prohibitions against any person who has been convicted of any criminal offense involving dishonesty or breach of trust, or who has entered into a pretrial diversion or similar program in connection with a prosecution for such offense, from participating in the affairs of an insured credit union except with the prior written consent of the NCUA Board. We thank NCUA for the opportunity to opine on this important issue, and generally support NCUA's proposed changes.

In proposing a new Interpretive Ruling and Policy Statement (proposed IRPS 19-1) NCUA has taken a measured approach that balances mitigating risk to a federally insured credit union with providing a meaningful second chance to individuals who having committed a prior indiscretion have paid their debt to society and seek gainful employment. NASCUS agrees that NCUA's proposed changes will bring additional clarity to credit unions and individuals subject to the FCUA § 205(d) framework.

Reducing regulatory burden, providing regulatory clarity, and promoting social justice are laudable goals. NASCUS supports the proposed IRPS 19-1. We thank NCUA again for the opportunity to provide comments and would be happy to answer questions at NCUA's convenience.

Sincerely,

- signature redacted for electronic publication -

Brian Knight
General Counsel

¹ NASCUS is the professional association of the nation's 45 state credit union regulatory agencies that charter and supervise over 2,100 credit unions.