

Open Board Meeting

January 21, 2016

**NCUA Chairman Debbie Matz
Statement on the Federal Credit Union Operating Fee Methodology**

For those who have portrayed the Overhead Transfer as an issue that primarily affects state charters, it's important to realize that federal credit unions fund a majority of the Overhead Transfer.

Also, federal credit unions pay the entire Operating Fee. In total, federal credit unions account for more than 65 percent of NCUA's Operating Budget.

Because federal credit unions fund nearly two-thirds of our budget, it's only fair to put the Operating Fee methodology out for comments at the same time as the Overhead Transfer Rate methodology.

I want to assure stakeholders that we will take the same next steps with the Operating Fee methodology as we are planning with the Overhead Transfer Rate methodology. Both methodologies will be open for an unusually long comment period of 90 days. All comments will be [posted on the NCUA website](#), as we do with proposed rules, and a summary of comments, along with the Board's responses to the comments, will be published later this year in the *Federal Register*.

I am especially interested in any comments about the exemption threshold. Since 2012, federal credit unions with assets under \$1 million have been exempt from paying any Operating Fees.

I would be interested in hearing whether stakeholders feel this exemption is still appropriate, or whether more small credit unions should be exempt from paying any Operating Fees.

I look forward to all the comments, and thank the NCUA staff for preparing to publish both methodologies even though we are not required to do so by law.