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From: Suzanne Yashewski [mailto:syashewski@tcul.coop]

Sent: Wednesday, April 30, 2008 6:01 PM

To: _Regulatory Comments

Cc: Dick Ensweiler; Buddy Gill

Subject: Texas Credit Union League Comments on Advanced Notice of Proposed Rulemaking for Parts 708a and 708b

April 30th, 2008

Ms. Mary Rupp, Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

RE: ANPR Parts 708a and 708b (Mergers, Conversions, and Termination of Insurance)

Dear Ms. Rupp:

Thank you for providing us the opportunity to comment regarding the National Credit Union Administration Board's Advanced Notice of Proposed Rulemaking regarding Parts 708a and 708b of NCUA's rules and regulations. The Texas Credit Union League [TCUL] is the official state trade association serving credit unions in Texas. Organized in 1934, the Texas Credit Union League represents approximately 600 not-for-profit Texas credit unions, which in turn are owned by nearly 7 million members.

Given the considerable regulatory burden under which federally insured credit unions must operate, TCUL does not support any new regulations suggested by the ANPR. Credit unions are already overburdened by regulatory compliance. The proposed changes are not related to any safety and soundness issue and are not necessary at this time.

TCUL urges NCUA to work with affected parties to develop guidelines, not regulations, that address the appropriate standard for fiduciary duty for federally chartered credit unions. These guidelines must instruct examiners that they are not granted any new authority to get involved in a credit union's implementation of a fiduciary duty standard. TCUL feels that once the fiduciary duty issue is addressed properly, the other issues in the ANPR would not require new rules.

TCUL strongly believes that state regulators should be responsible for developing the appropriate fiduciary duty standard for the credit unions under their authority. The contemplated proposal unduly interferes with the rights of the States to regulate areas that have traditionally been state law matters such as corporate governance, members' rights and director fiduciary duty. NCUA is the insurer, not the primary regulator, of state chartered credit unions. NCUA's involvement in regulating federally insured state chartered credit unions should be limited to areas of legitimate safety and soundness concern that may pose a threat to the Insurance Fund. That is not the case for the issues proposed in the ANPR. NCUA's involvement in this area would severely weaken the dual chartering system.

Thank you for this opportunity to comment on this matter. If you have questions about our comments, please feel free to call me at (800) 442-5762 x 8516.

Sincerely,

Suzanne Yashewski
Vice President, Regulatory Compliance & Legal Affairs Texas Credit Union League

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