

NCUA Chairman Debbie Matz
Statement on NCUA's 2010 Mid-Session Budget
and New Consumer Education Campaign

NCUA Board Open Meeting

July 29, 2010

“I strongly support these updates to our mid-session budget.”

“I assure all stakeholders: Wherever an addition to the budget was found to be necessary, we worked to offset the addition with a comparable reduction.”

“We also reviewed budgeted expenses versus actual expenses over the first half of this year. In areas where we projected a significant surplus by year-end, we were able to make further reductions in the mid-year budget.”

“Through this thorough review process, we have succeeded in reducing NCUA's budget by \$2 million.”

“We are well aware that credit unions are under enormous pressure to generate positive earnings this year. This is particularly difficult at a time when credit unions are paying assessments, which are required to cover other credit unions' losses.”

“So we have done our due diligence to ensure that any new item in the budget will be a prudent use of agency resources and credit union funds.”

“Now I would like to take a few minutes to focus on what I believe is one of the most important new items in this budget: the Consumer Education Campaign.”

“This public service initiative will strengthen consumer confidence in the nation’s credit unions and the National Credit Union Share Insurance Fund.”

“By raising public awareness about credit unions that are federally insured, this campaign will reassure consumers that their money is safe in federally insured credit unions.”

“I am particularly excited to announce that we plan for this campaign to feature Suze Orman – one of America’s best-known experts on personal finance.”

“All of you who have seen ‘The Suze Orman Show’ on CNBC know that Suze really lights up the screen. She comes on the air with amazing energy and tremendous passion. When she speaks directly to consumers, she serves as their trusted financial advisor. And she makes complex financial issues sound perfectly clear.”

“NCUA plans to film both a 30-second TV ad and a 60-second TV ad with Suze Orman to remind consumers of our important message: Every account in a federally insured credit union is covered up to \$250,000, backed by the full faith and credit of the United States government.”

“We are aiming to launch the campaign in September.”

“The campaign budget of \$1.7 million will not only cover production of the ads. The budget will also cover placement of the ads throughout the last four months of 2010, in attractive time slots on national television. The budget even includes placement of companion ads on radio and in print.”

“NCUA’s Office of Public and Congressional Affairs also plans to spread the message through virtual media. We plan to use all available outlets to ensure that this campaign will be visible to a diverse national audience.”

“I am very excited about this campaign. It will raise the visibility of all federally insured credit unions, and reinforce the safety of the Share Insurance Fund to consumers across America.”