



March 30, 2026

Ms. Melane Conyers-Ausbrooks  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314

RE: Public Unit and Nonmember Shares  
(Docket No. NCUA-2026-0133; RIN 3133-AF92)

Dear Ms. Conyers-Ausbrooks:

On behalf of its member credit unions, the Cooperative Credit Union Association, Inc. ("Association") appreciates the opportunity to comment on the National Credit Union Administration (NCUA) Board's proposed rule on Public Unit and Nonmember Shares. This proposed rule is one of four proposals issued as "Round Four" of the NCUA Deregulation Project. The Association is the state trade association representing nearly 200 state and federally-chartered credit unions located in the states of Delaware, Massachusetts, New Hampshire, and Rhode Island, which further serve over 5 million consumer members. The Association developed these comments in consultation with our members.

The Association supports the Board's proposal to amend Section 701.32 of NCUA's regulations to delete Subsection (b)(2) of that rule. Subsection 701.32(b)(2) currently requires federal credit unions with Public Unit and Nonmember Shares exceeding 70 percent of paid-in and unimpaired capital and surplus to "adopt a specific written plan concerning the intended use of these funds that is consistent with prudent risk management principles." However, the generally applicable Subsection 701.32(b)(1) federal credit union "Aggregate limit on public unit and nonmember shares"—i.e. the greater of: (i) \$3 million dollars; or (ii) 50 percent of paid-in and unimpaired capital and surplus minus any public unit and nonmember shares—would remain unchanged.

We agree with the Board that the Subsection (b)(2) planning requirement is unnecessary because the more stringent regulatory funding-base rule in Subsection (b)(1) will remain in place. NCUA Regulations define "paid-in capital and surplus" to mean "shares plus post-closing, undivided earnings," 12 C.F.R. § 700.2, which includes most of the credit union's equity and liabilities other than external borrowings, regular reserves, or special reserves required by law. This is a large number which approaches a federal credit union's total assets absent significant external borrowings like Federal Home Loan Bank advances.

This proposed amendment will reduce regulatory burdens on small federal credit unions with assets below \$10 million that receive a significant amount of their

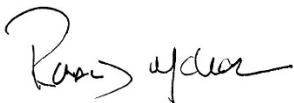
share/deposit base from Public Units and Non-Members. This is because the Subsection (b)(1) cap of the greater of \$3 million or 50 percent of paid-in and unimpaired capital and surplus (minus any public unit and nonmember shares) means that the Subsection (b)(2) 70 percent of paid-in capital and surplus limit is only likely to be relevant when a small credit union utilizes the Subsection (b)(1) \$3 million cap figure (rather than the Subsection (b)(1) 50 percent cap that is calculated based on members-only share balances).

Moreover, for a federal credit union to reach the 70 percent of paid-in and unimpaired capital and surplus threshold in the current Subsection (b)(2), the federal credit union would presumably have to have less than \$4.3 million in total unimpaired capital and surplus (since 70 percent of that amount is just over \$3 million).

No credit union of this size presents a material risk to the Share Insurance Fund. De novo federal credit unions of this size must usually follow an NCUA-approved business plan that should require planning on how to use Public Unit and Non-Member Shares anyway. With respect to other small credit unions, any planning deficiencies with respect to Public Unit and Nonmember Shares identified during the examination process can be addressed through supervisory assistance.

The Association urges the Board to finalize this rule as proposed. Thank you for the opportunity to comment on the NCUA Board's proposed rule on Public Unit and Nonmember Shares. If you have any questions or desire further information, please do not hesitate to contact the Association at (508) 481-6755 or govaff-reg@ccua.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald McLean". The signature is fluid and cursive, with a large initial "R" and a long horizontal stroke at the end.

Ronald McLean  
President/CEO  
Cooperative Credit Union Association, Inc.  
rmclean@ccua.org