



November 14, 2024

Melane Conyers-Ausbrooks
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428.

RE: Agency Information Collection Activities; Proposals, Submissions, and Approvals: NCUA 5300 Call Report (NCUA Docket No. NCUA-2024-0115; OMB Number: 3133-0004.)

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's (NCUA) proposal to add additional accounts to the 5300 Call Report as well as delete obsolete fields related to Covid-19 Pandemic-related lending programs. The Association is the state trade association representing approximately 200 state and federally-chartered credit unions located in the states of Delaware, Massachusetts, New Hampshire, and Rhode Island, which further serve over 3.6 million consumer members. The Association developed these comments in consultation with our members.

Many of the proposed changes to the 5300 Call Report would help the NCUA track potential liquidity risks related to uninsured shares and deposits as well as brokered shares and deposits.

While the Association supports most aspects of the agency's proposed additional fields, we are concerned that the proposed changes to Schedule D, Section 3 of the 5300 Call Report may not be workable and/or would present an unreasonable paperwork burden. As proposed, Schedule D, Section 3 of the 5300 Call Report would add "three accounts for credit unions to report the maturity distribution of total uninsured shares and deposits."

It may not be possible in practice for credit unions to report this information because NCUA administers share insurance at the member level, not the account level. Even if possible, this would be an unreasonable paperwork burden because it would likely require credit union staff to perform manual calculations. The staff time required to perform such manual calculations would likely be far in excess of the "4.0 hours" of paperwork estimated by the agency.

We therefore urge the NCUA Board to reconsider the specifics of its proposed changes to Schedule D, Section 3.

For members with multiple accounts, the currently required member-level share insurance analysis typically aggregates multiple shares, including shares with no maturity or multiple maturity dates. It is therefore often difficult to identify exactly which shares or deposits are uninsured at the account level. At a minimum, the Board should provide credit unions with a clear explanation and methodology for how they should identify the maturities of these uninsured funds.

In addition, the new maturity requirement appears to expect credit unions to analyze accounts individually, which may not be supported by many credit union core banking systems. Without an automated solution, credit unions would likely need to perform time-consuming manual calculations. Updates to core banking systems to allow for the identification of uninsured shares by maturity on an account-by-account basis may be expensive and take time.

If the Board does choose to finalize its proposed changes to Schedule D, Section 3, it should also set a compliance date that allows ample time for software providers to develop an automated solution to track these positions, in addition to the Board clarifying the methodology credit unions should use to determine these exposures.

Thank you for the opportunity to comment on the NCUA Board's proposed updates to the 5300 Call Report. 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,

Ronald McLean
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