



The National Association of State Credit Union Supervisors

February 9, 2026

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

Re: Request for Comments: Corporate Credit Unions, RIN 3133-AF73 (NCUA-2025-1302)

Dear Secretary Conyers-Ausbrooks:

The National Association of State Credit Union Supervisors (NASCUS)¹ provides the following comments on NCUA's proposed changes to Part 704, Corporate Credit Unions.² NCUA proposes to "reduce unnecessary regulatory burden and provide corporate credit unions with greater flexibility" by eliminating the requirement that a corporate credit union's asset and liability management committee (ALCO) have at least one member who is also a member of the corporate's board of directors. The proposal would also remove several filing requirements related to a corporate credit union's annual report or report issued by its independent public accountant.

NASCUS commends NCUA for reviewing the agency's rules and regulations to better calibrate safety and soundness with regulatory relief and operational flexibility. We support the changes as proposed. Furthermore, we believe NCUA should consider additional changes to § 704 that would provide greater operational flexibility to corporate credit unions and enhance their service and utility to the thousands of natural person credit unions they serve. So doing would strengthen the credit union system and reduce risk to the Share Insurance Fund (SIF).

Part 704.8 Asset liability management

Since 1997, NCUA has required corporate credit unions to have at least one member of the corporate credit union's ALCO who is also a member of the board of directors.³ NCUA now proposes removal of this requirement believing it too prescriptive and inflexible. NASCUS

¹ NASCUS is the professional association of the nation's forty-six state and territorial credit union regulatory agencies that charter and supervise over 1,600 state credit unions. NASCUS membership includes state regulatory agencies, state and federally chartered credit unions, credit union associations, and other important stakeholders in the credit union system.

² 90 Fed. Reg. 57391 (December 11, 2025).

³ 62 Fed. Reg. 12938 (Mar. 19, 1997).

agrees and supports the change as proposed. Viewed through the prism of risk monitoring and risk mitigation, the requirement for a corporate credit union to operate pursuant to an established written asset liability management policy is the salient principle.

Part 704.15 Audit and reporting requirements

The 1997 final rule also required that a corporate credit union get an annual opinion audit of its financial statements and submit a copy of the audit report and copies of all communications from the external auditor to the NCUA.⁴ In 2010, NCUA added the requirement that NCUA would make a corporate credit union's annual report public as well as the requirement that corporate credit unions notify NCUA when late filing the annual report.⁵

NCUA's proposal would rescind the requirement to file a copy of an annual report, management letter, or other report issued by an independent public accountant with the NCUA within 180 days after the end of the calendar year. The proposed rule would also rescind the requirement that NCUA make the annual report public as well as requirements related to late filings.

NASCUS agrees these requirements are of limited public benefit and limited value for protection of the SIF and we support the rule as proposed.

Maximizing the value of the Deregulation Project

NASCUS supports the goals of NCUA's Deregulation Project.⁶ NCUA's proposed changes are good first steps to modernizing the rules and regulations applicable to corporate credit unions. We urge NCUA to consider additional changes to Part 704 that would further reduce regulatory burden and inefficiencies that would enhance corporate credit union utility to natural person credit unions.

NASCUS appreciates the reticence some may have with respect to revisiting the constraints on corporate credit union balance sheets that have remained in effect since 2009. However, we believe providing greater flexibility for corporate credit unions to manage their balance sheets, particularly given the significantly higher capital levels, can be calibrated with supervisory risk mitigation to enhance the benefits natural person credit unions, including those of modest size, gain from corporate credit unions. This in turn strengthens the credit union system.

⁴ Id.

⁵ 75 FR 73000 (Nov. 29, 2010).

⁶ See <https://ncua.gov/news/deregulation-project>.

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NASCUS appreciates the opportunity to share our views on proposed changes to Part 704. We look forward to NCUA's additional regulatory review efforts and encourage NCUA to work with state regulators and stakeholders to identify forward looking changes to NCUA's rules and regulations that will help better position the credit union system for the future in a safe and sound manner.

Sincerely,

- signature redacted for electronic publication -

Brian Knight
President & CEO