



The National Association of State Credit Union Supervisors

April 25, 2026

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

RE: Comments on Proposed Rule – 12 CFR Part 701.23 Eligible Obligations

Dear Ms. Conyers-Ausbrooks:

On behalf of the National Association of State Credit Union Supervisors¹ (NASCUS), I appreciate the opportunity to comment on NCUA’s proposed amendment to **Part 701.23** regarding eligible obligations. Part 701.23 governs a federal credit union’s authority to purchase, sell, and pledge eligible obligations. NCUA proposes to amend this framework by removing prescriptive policy requirements and eliminating provisions it views as duplicative or unnecessary, while providing greater flexibility for boards to exercise business judgment.

As an advocate of the state credit union system, NASCUS is providing comments on this proposal given its relevance to Federally Insured State-Chartered Credit Unions (FISCU), as reflected in Part 741.8’s references to transactions described in Part 701.23 or comparable state law.

These changes are intended to reduce unnecessary burden while maintaining appropriate governance and risk management expectations.

NCUA states the goals for the proposed regulation change include:

- Reducing regulatory burden and outdated requirements
- Eliminating duplicative or overly prescriptive rules that no longer reflect modern practices

NASCUS supports the proposed amendments, as they provide increased flexibility and reduce unnecessary prescriptive requirements, while still allowing for appropriate oversight through state law and existing governance frameworks. We commend NCUA’s recognition of the dual

¹ NASCUS is the professional association of the nation’s forty-five state and territorial credit union regulatory agencies that charter and supervise over 1,800 state credit unions. NASCUS membership includes state regulatory agencies, state chartered and federally chartered credit unions, and other important stakeholders in the state system. State-chartered credit unions hold approximately half of the \$2.4 trillion assets in the credit union system and are proud to represent nearly half of the 145 million members. The remaining six states lack state-chartered credit unions.



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chartering system and the importance of maintaining a balanced approach in applying federal expectations to FISCUs.

Conclusion

NASCUS supports NCUA’s goals of reducing outdated, redundant, and overly prescriptive regulations and maintaining the strength of the dual chartering system. We encourage NCUA to finalize the rule as proposed.

Thank you for the opportunity to comment. We are happy to discuss our comments further, at your convenience.

Sincerely,

-signature redacted for electronic publication -

Craig Money

Vice President, Regulatory Affairs

NASCUS