

Jordan, Sheron

From: _Regulatory Comments
Sent: Tuesday, August 29, 2006 9:16 AM
To: Jordan, Sheron
Subject: FW: Texas Credit Union League Comments on Notice of Proposed Rulemaking (Suspicious Activity Report)

-----Original Message-----

From: Suzanne Yashewski [mailto:syashewski@tcul.coop]
Sent: Monday, August 28, 2006 6:12 PM
To: _Regulatory Comments
Cc: Dick Ensweiler; Buddy Gill
Subject: Texas Credit Union League Comments on Notice of Proposed Rulemaking (Suspicious Activity Report)

August 28, 2006

Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke St.
Alexandria, VA 22314-3428

VIA E-Mail to: regcomments@ncua.gov.

Re: Texas Credit Union League Comments on Notice of Proposed Rulemaking (Suspicious Activity Report).

The Texas Credit Union League (TCUL) appreciates the opportunity to comment on the proposed revisions to the National Credit Union Administration's Rules and Regulations concerning Suspicious Activity Reports. The Texas Credit Union League is the official trade association serving nearly 600 federal and state credit unions and more than 7 million credit union members in Texas. This letter reflects the views of our member credit unions.

In general, TCUL supports the proposed changes. However, based on comments received by our member credit unions, TCUL respectfully requests that NCUA remove the proposed language requiring that credit unions inform the board of all SAR filings.

The board is responsible for governance of the credit union. However, it is the responsibility of management to handle the day to day operations, including mitigating risks associated with SARs. TCUL does not feel that providing the detailed information contained in each SAR would benefit the board in its governance role. Our member credit unions feel that reporting SARs to the board would be an additional regulatory burden with little benefit.

TCUL also has concern over the required timeframe for notifying the board. The proposed language uses the term "promptly". If "promptly" is determined to mean "the same day", this would likely create a burden for most credit unions.

Additionally, TCUL is concerned about the credit union's ability to keep SARs confidential as required by law when they are shared with a large number of people.

As an alternative, TCUL requests that NCUA consider a revised rule requiring a "summary" of SAR filings to be reported to the board. This summary could include information such as the number and nature of SARs filed in a certain period.

Conclusion

Thank you for the opportunity to comment on the proposed revisions to NCUA's rules and

regulations regarding Suspicious Activity Reports. If you have questions about our comments, please feel free to call me at (800) 442-5762 x 8516.

Sincerely,

Suzanne Yashewski
Vice President, Regulatory Compliance & Legal Affairs Texas Credit Union League

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