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State of New Hampshire

Banking Department

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October 22, 2019

His Excellency, Governor Christopher T. Sununu
And the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION *Retroactive*

The New Hampshire Banking Department (NHBD) respectfully requests authority to continue its membership and participation in the National Association of State Credit Union Supervisors (NASCUS), Vendor Number 170814, for the period July 1, 2019, through June 30, 2020, following Governor and Council approval for an amount of \$19,026.00.

Funds to support this request are available in the following account in State FY 2020, 100% Other Funds, Bank Exams and Assessment:

<u>Account</u>	<u>Description</u>	<u>FY 2020</u>
010-07200-20460000-026-500251	Dues	\$19,026.00

EXPLANATION

NASCUS, a professional regulators association, is the primary resource and voice of the 45 state governmental agencies that charter, regulate and examine the nation's state-chartered credit unions. NASCUS is the only organization dedicated to the defense and promotion of the state credit union charter and the autonomy of state credit union regulatory agencies.

State credit union regulators formed NASCUS in 1965 to ensure the safety and soundness of state-chartered credit unions. Today, it represents the interests of the state credit union agencies before U.S. Congress, defends the dual chartering system and advances state agency and examiner education programs.

NASCUS is also the primary resource for regulatory, legislative and compliance information for the state credit union regulatory agencies.

The following are the standard organization dues and membership questions and answers for Governor and Council approval.

1. How long has this organization been in existence and how long has this agency been a member of this organization?

State credit union regulators formed NASCUS in 1965. The NASCUS mission is to enhance state credit union supervision and advocate for a safe and sound credit union system. It represents the interests of all state credit union supervisors before U.S. Congress and acts as a liaison between state agencies and the National Credit Union Administration (NCUA). NASCUS also developed a training program for state examiners. NHBD has been a member since 1971.

2. Is there any other organization that provides the same or similar benefits which your agency belongs to?

No. NASCUS is the only organization dedicated to the defense and promotion of the state credit union charter and the autonomy of state credit union regulatory agencies.

3. How many other states belong to this organization and is your agency the sole New Hampshire state agency that is a member?

NASCUS includes 45 regulatory agencies (Delaware, South Dakota and Wyoming have no laws permitting state-chartered credit unions). NHBD is the sole member from the State of New Hampshire due to the purpose of this organization.

4. How is the dues structure established? (Standard fee for all states, based on population, based on other criteria, etc)

NASCUS membership is on a fiscal year basis (July 1 – June 30), and annual dues are calculated based on the total assets under agency supervision, as of December 31, 2018. NHBD regulates ten credit unions with total assets of \$8.1 billion as of December 31, 2018.

5. What benefit does the state receive from participating in this membership?

Membership allows interaction with other state and federal agencies and to have representation in challenging situations. NASCUS provides training opportunities for state bank examiners.

6. Are training or educational/research materials included in the membership? If so, is the cost included? Explain in detail.

Yes. Educational/research materials include conferences, schools and programs, informational webinars, numerous publications, press releases, and facts/figures. NASCUS membership does not directly cover the training cost; however, the cost of training is sometimes reimbursed by the NCUA in full.

7. Is the membership required to receive any federal grants or required in order to receive or participate in licensing or certification exams? Explain.

No.

8. Is there any travel included with this membership fee? Explain in detail any travel to include the number of employees involved, the number of trips, destination if known and purposes of membership-supported trips.

No, however, the NCUA sometimes covers travel expenses for NASCUS meetings and training. NHBD typically sends one or two members of its management or examination staff to the NASCUS-sponsored annual State System Summit – locations vary across the country.

Throughout the year, NASCUS holds numerous teleconferences where members/participants phone in from around the country; discussion topics include circumstances that collectively impact the regulatory system and allow participants to gain valuable information.

9. Which state agency employees are directly involved with this organization? (Indicate if they are members, voting members, committee members, and/or officers of the organization.)

The Commissioner, Deputy Commissioner, Chief Bank Examiner, and Banking Division examiners are involved with NASCUS. None of those above individuals are committee members or officers.

NASCUS membership is available to state agencies responsible for the supervision of state-chartered credit unions, the District of Columbia and the Commonwealth of Puerto Rico. Each agency shall be represented by the official having responsibility for the supervision of state-chartered credit unions in that jurisdiction or by a representative, duly designated by such official, and who is an employee of the agency or department of that jurisdiction. Every regulator member shall be entitled to one vote on issues brought properly before the membership.

10. Explain in detail any negative impact to the State if the Agency did not belong to this organization.

To effectively fulfill its mission, NHBD must continue to interact and partner with other regulators at the state and federal levels. This is a key and lasting characteristic of the financial institution's regulatory system. NASCUS facilitates this interaction relative to credit unions; the Conference of State Bank Supervisors (CSBS) accomplishes a similar mission relative to banks. Regulation and supervision are not stagnant – it evolves and changes, often-times to a significant degree. Consistency is imperative.

Discontinuing NHBD's membership would result in the following, detrimental impacts:

- ability to defend NHBD's interests, particularly on a national scale, would be significantly reduced;
- loss of mechanism for collective communications with our peers (regulators from other states);
- loss of centralized information source regarding current and emerging regulatory issues; and
- loss of training/developmental opportunities.

In summary, NHBD would certainly become more isolated and would lose efficiencies and effectiveness.

A copy of the invoice is attached for your review.

Your consideration of our request is appreciated.

Respectfully submitted,



Gerald H. Little
Bank Commissioner

GHL/mj
Enclosure



The National Voice of the State Credit Union System

May 17, 2019

DUES INVOICE for State of New Hampshire

Annual dues for the year July 1, 2019 through June 30, 2020 are calculated on the amount of credit union assets under your agency's supervision, as of December 31, 2018.

- The first step in this process was to ascertain the actual amount of credit union assets under your supervision as of December 31, 2018. You previously provided this asset data to Doug McGuckin at NASCUS.
- We have calculated your dues invoice based on (a) your reported credit union assets under supervision and (b) the dues model that was approved by NASCUS regulator membership in August 2017. This invoice is for your state's 2019-2020 NASCUS dues.
- Return the invoice along with a check or authorize a payment by ACH by July 31, 2019, the due date for renewing membership in NASCUS for 2019-2020.
- If you have any questions related to your invoice or have extenuating circumstances that may require forbearance measures, please contact Lucy Ito at lito@nascus.org or Doug McGuckin at doug@nascus.org.

2019-2020 Dues Summary

Category of Assets Supervised	Base Rate	Factor Applied to Square Root of Assets Supervised	Maximum Amount for Each Category Bracket
\$0--\$1,000,000,000	-	0.2678682222	\$ 8,471
\$1,000,000,001--\$10,000,000,000	\$ 8,471	0.1809920420	\$ 20,846
\$10,000,000,001+	\$ 20,846	0.0832563393	-

Assets Under Supervision	Amount Due
\$ 8,089,624,159	\$ 19,026

Please make your payment to:

National Association of State Credit Union Supervisors
1655 N. Ft. Myer Drive, Suite 650
Arlington, VA 22209

NASCUS TIN -- 54-1167527

Please remit one copy with your payment and retain one copy for your records.

Thank you for your 2019-2020 NASCUS membership.