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NCUA Media Release

2010 Premium and Assessment Discussed by Board Member Hyland at NAFCU Congressional Caucus

Alexandria, Va., September 20, 2010 – Board Member Gigi Hyland spoke today before the NAFCU Congressional Caucus in Washington, DC. Her remarks focused on the 2010 Share Insurance Fund premium and Corporate Stabilization Fund assessment recently levied on federally insured credit unions.

Prefacing her discussion of the assessment and premium with an overview of recent statistics, Board Member Hyland stated, “These trends highlight the need for you to continue your due diligence efforts and actively monitor your loan portfolios and collection efforts. The marketplace is still immensely challenging and you need to be vigilant in responding to members’ needs while executing sound, timely risk management practices. Business the way it was is not the way business is today. That is more apparent than ever in the 2010 premium and assessment that NCUA has levied on credit unions this year.”

Board Member Hyland recognized the burden that the premium and assessment place on credit unions but underscored that sound public policy dictates that the funds be managed cautiously. She also stated that the total for the premium and assessment came in within the lower range anticipated by Board last November.

“For most of you,” Board Member Hyland noted, “the Share Insurance Fund premium amount should be lower than what you budgeted. At 12.4 basis points, the Share Insurance Fund premium falls on the low end of the range of 10-to-25 basis points which the NCUA Board projected for 2010. And when the Share Insurance Fund premium is combined with this year’s Stabilization Fund assessment, the total of 26 basis points falls within the lower half of the range of 15-to-40 basis points that the NCUA Board projected for the two payments combined.”

Board Member Hyland’s remarks are available [here](#).

NCUA is the independent federal agency that regulates, charters and supervises federal credit unions. With the backing of the full faith and credit of the U.S. government, NCUA operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of over 90 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.

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