



June 29, 2020

Mr. Gerard Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

Re: Comments on CLF - RIN 3133-AF15

Dear Mr. Poliquin:

CrossState Credit Union Association (CrossState) appreciates this opportunity to comment on the National Credit Union Administration's (NCUA) Interim Final Rule amending certain parts of the Regulation regarding the Central Liquidity Facility (CLF), 12 CFR Part 725. CrossState is a regional trade association that advocates for 519 credit unions located in the Commonwealth of Pennsylvania and the State of New Jersey.

The COVID-19 pandemic has put a financial strain on all businesses, including credit unions. Credit unions have incurred greater expenses from efforts to abate the spread of the virus while recognizing less income due to decreased loan demand and payment deferrals on existing loans.

CrossState understands the importance of the Central Liquidity Facility (CLF) to help credit unions meet their liquidity needs during these unprecedented times and appreciates the NCUA Board's efforts to make the CLF more attractive to encourage greater credit union participation. More credit union participation will provide greater liquidity available to all credit unions.

By providing much-needed liquidity to credit unions during these difficult times, the CLF is a significantly beneficial resource for credit unions who have joined the Facility. Liquidity will become a priority for credit unions as they begin to reopen branches and the demand for loans increases.

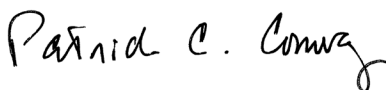
CrossState supports the NCUA Board's permanent elimination of the six-month waiting period on obtaining CLF advances for new members and the permanent change to the collateral requirements. As the current pandemic situation continues to evolve, eliminating the waiting period is a welcome change that will encourage more credit unions to join and benefit from the CLF to timely meet their liquidity needs. The amendment replacing the 110% collateral requirement with an asset-based collateral requirement may make it easier for a credit union to borrow if the need would arise.

CrossState supports the changes made to corporate credit union membership, both as agents for their credit union members and to fulfill their own liquidity needs. Recognizing that all corporate credit unions have now joined the Facility as agent members is reflective of the great work the NCUA Board is doing to make the Facility more attractive.

CrossState applauds the NCUA Board's efficiency and responsiveness over the last several months. Anticipating the challenges that credit unions may face and being proactive to meet those needs is key to keeping the credit union system operating in a safe and sound manner. With these changes in place, combined with the additional relief and assistance the NCUA Board has provided credit unions, we are confident the credit union system will weather this current pandemic and continue to provide members much needed assistance as the country begins to reopen and recover.

CrossState will continue to encourage membership in the CLF to New Jersey and Pennsylvania credit unions as an additional source of liquidity. Thank you for the opportunity to provide comments.

With best regards,

A handwritten signature in black ink that reads "Patrick C. Conway". The signature is written in a cursive, flowing style.

President & CEO

cc: CrossState Board
CrossState Government Relations Committee
CrossState Regulatory Review Committee