



CORNERSTONE LEAGUE

*Uniting & Inspiring Credit Unions
to Advance the Greater Good*

October 19, 2020

Sunset Advisory Commission
PO Box 13066
Austin, Texas 78711

Dear Commissioners:

On behalf of the 176 state-chartered credit unions in Texas represented by the Cornerstone Credit Union League, I want to express our appreciation for the professional and constructive review of the Credit Union Department by the Sunset Commission and staff. We agree with the Sunset staff recommendations for the continuance of the Department for another 12 years and that the Department remain an independent regulator with self-directed semi-independent status.

TCUD Commissioner John Kolhoff has expressed the Department's commitment to working with the Sunset Commission and the Legislature to address all the recommendations provided through the sunset process. The Cornerstone Credit Union League supports the Department's efforts in all these matters.

The Department has begun work to address recommended changes to the complaint resolution processes identified in Issue 1 of the staff report. It is making improvements to the data collection and documentation processes, improvements to the tracking systems for critical data, and working to develop rules to support improved complaint processes and reporting.

The Department has committed to address Issue 2, implementing a streamlined and reliable fee assessment policy and process. It will develop alternative operating fee options and implement the changes by August 31, 2021.

The Department concurs with the recommendations to changes to the new charter applications reflecting the elimination of the notarization requirement for articles of incorporation. Those are in process and will be completed by September 30, 2021. The Agency will develop and submit updated requirements for board member training to the Credit Union Commission.

Commissioner Kolhoff expressed some concerns about the possibility of unintended consequences of statutory changes used to address recommendations in Section 1.1 regarding more comprehensive complaint and enforcement data and Section 3.2 related to improving

notification to credit unions about federal regulatory changes. The Cornerstone Credit Union League agrees with and supports his recommendations that the changes be made through management actions and rulemaking. We believe the alternative route can achieve the stated goals without compromising the ability of the Agency to function efficiently and effectively.

Our thanks and appreciation for the hard work by the staff and Commissioners for this review. Please let me know if the League can be of assistance to you in the future.

Warmest regards,

A handwritten signature in cursive script, reading "Caroline Willard".

Caroline L. Willard
President & CEO
Cornerstone League