



Share Insurance, Corporate Stabilization Enacted, Cardholder Rights Heads to President

President Signs Share Insurance, Corporate Stabilization Measure

This afternoon, President Obama signed into law the Helping Families Save Their Homes Act (S. 896) that contains the important credit union-related provisions to extend the increased limits in share insurance coverage and mitigate the cost of NCUA's corporate stabilization actions.

As a result of this legislation, what would have been a 99 basis-point-of-insured-shares cost to credit unions this year will likely be reduced to something in the range of 10 to 15 basis points.

The legislation moved with unusual speed. The President signed the bill just one day after it passed both house of Congress.

Under the enacted legislature:

- NCUA's borrowing authority will be extended to \$6 billion, with a possible further extension to \$30 billion under exigent circumstances.
- Credit unions will be given eight years to deal with the cost of the NCUSIF premium assessment. Impairments related to the NCUSIF replenishment can be booked over a seven-year period.
- The current \$250,000 federal NCUSIF deposit insurance ceiling is extended until 2013 (the bill does the same for FDIC).

Credit Card Bill of Rights Heads to President's Desk

Earlier today, the US House passed the credit card anti-abuse legislation, just one day after it cleared the US Senate. The credit card bill now goes to the president, who intends to sign it.

While there are elements of the credit card bill that raise concerns because of anticipated increased compliance costs, with the grassroots support of leagues and credit unions nationwide, CUNA was successful in keeping the bill free of interchange fee amendments that would have proven extremely costly for credit unions.