



June 29, 2020

Ann E. Misback, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

***Re: Comments on Regulation D Interim Final Rule - Docket Number R-1715;
RIN 7100-AF 89***

Dear Secretary Misback:

CrossState Credit Union Association (CrossState) is a regional advocacy organization that represents 516 credit unions with approximately 5.3 million members located in the Commonwealth of Pennsylvania and the State of New Jersey.

CrossState submitted comments in May of this year to share that Pennsylvania and New Jersey were states severely impacted, and continue to be impacted, by the COVID-19 pandemic. Credit unions are now recovering and entering various phases of reopening in these states. As credit unions acclimate to their new normal, they continue to develop creative solutions to assist their members who may have been financially impacted by the pandemic, while balancing the need to operate in a safe and sound manner.

One major lesson we have learned throughout this ongoing pandemic is credit unions need the flexibility to serve and act quickly. In times of crisis, people look to credit unions for financial assistance and safety. Policymakers must not forget the consumer impact of this crisis. They must proactively legislate and amend regulations to grant credit unions greater regulatory relief to serve their members.

CrossState previously advocated for the elimination of the numeric limit on convenient transfers from savings accounts. We appreciate the Board for its actions amending Regulation D to delete the requirement, and the promptness of the Board to address the needs of credit unions and other financial institutions. CrossState respectfully reinforces our May 7 request to the Board to issue a statement to clarify that the elimination of the transfer limits is a permanent

4309 N. Front Street, Harrisburg, PA 17110 | 299 Ward Street, Hightstown, NJ 08520

717.234.3156 | 800.932.0661 | CrossState.org

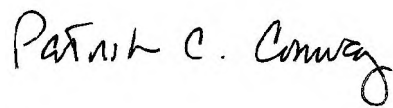
change. This will help alleviate any uncertainty as credit unions make changes to account agreements, policies, and procedures.

Further, the elimination of the six convenient transfers limit will permit credit unions to serve their members more efficiently and allow members to better manage their finances without being burdened about how many transfers they conducted throughout the month.

Additionally, CrossState appreciates the reduction of the reserve requirement to zero percent. This enables credit unions to use more of their capital to assist members through these trying times. However, we are mindful that the reduction of the reserve requirement to zero percent may not be permanent. We urge the Board to issue guidance or clarification on how long the zero percent may remain in place, how much notice credit unions could expect if reserve requirements were to increase, and how the re-introduction of a reserve requirement would be structured if most accounts are now capable of being classified as transaction accounts or savings deposits.

Thank you for the opportunity to submit additional comments, and for the Board's guidance to credit unions as they assist their members through these unprecedented and challenging times.

With best regards,

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

Patrick C. Conway
President & CEO

cc: CrossState Board
CrossState Government Relations Committee
CrossState Regulatory Review Committee
CrossState State Credit Union Advisory Committee