

## **Alternative Share Insurance Letter**

To: Scott Jarvis, Director, Department of Financial Institutions  
Linda Jekel, Director, Division of Credit Unions

Dear Mr. Jarvis and Ms. Jekel:

Earlier this year the Washington Credit Union League requested that the Department of Financial Institutions institute a rule making process designed to interpret RCW 31.12.408, which allows state chartered credit unions to contract for non-federal share insurance.

Over the course of the past year the Washington Credit Union League has worked with the Division of Credit Unions and other interested parties on the implementation of the rule. While this process has been thorough and deliberative, we have come to the regrettable conclusion that legislative changes must be made to the statute under interpretation in order to produce a rule that both protects consumers and provides a reasonable framework for the operation of non-federal share insurance in Washington.

On behalf of the credit unions of Washington, we respectfully request that the Department suspend its work on the private share insurance rule until statutory clarifications are made.

Thank you for the hard work your staff has committed to this project over the past year. Work on the rule has been both complex and politically charged. We look forward to working with you on this issue again once we are able to provide some additional statutory clarification.

Respectfully yours,

Stacy Augustine, Senior Vice President & General Counsel  
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