



Filed via: regcomments@ncua.gov

July 22, 2011

Ms. Mary Rupp
Secretary to the Board
National Credit union Administration
1775 Duke Street
Alexandria, VA 22314

Re: Comments on Proposed Rule 705, Community Development Revolving Loan Fund Amendments

Dear Ms. Rupp:

On behalf of the California and Nevada Credit Union Leagues, I appreciate the opportunity to comment on the proposal by NCUA to reorganize and amend the regulations for the Community Development Revolving Loan Fund (Fund) under Part 705 of NCUA's regulations. By way of background, the California and Nevada Credit Union Leagues (Leagues) are the largest state trade associations for credit unions in the United States, representing the interests of more than 400 credit unions and their 10 million members.

The Leagues support the proposal, and commend NCUA for removing unnecessary detail and outdated processes and references from the current rule, while adding some flexibility to the Fund's loan and technical assistance grant process. In particular, we thank NCUA for the following changes to the rule:

- Including examples of the types of programs and uses that can be supported through loans from the Fund;
- Making the matching funds requirement in the current rule expressly optional at NCUA's discretion based on the financial condition of the credit union;
- Removing the requirement for a Community Needs Plan; and
- Including a new section that permits NCUA, on an emergency basis, to consider a funding request from a qualifying credit union experiencing an unplanned or unexpected expense that the credit union is unable to meet with its own resources.

We appreciate NCUA's thoughtful, well-balanced, and straightforward approach on this proposal, and look forward to future rulemaking from the Agency in this spirit.

Well done!

Sincerely,

A handwritten signature in black ink, appearing to read "Diana R. Dykstra", written over a series of horizontal lines.

Diana R. Dykstra
President/CEO