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August 6, 2015

The Honorable Debbie Matz
Chairman
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-6113

Dear Chairman Matz

I write to express my support for the National Credit Union Administration (NCUA) proposal to revise the agency's member business lending (MBL) regulation for credit unions.

As a supporter of legislation to increase the credit union business lending cap, I believe this rule is long overdue, and appreciate the NCUA's efforts to use the regulatory process to make it easier for credit unions to make business loans, which will in turn support business and job growth in our local communities. Credit unions have a long history of prudent and safe small business lending and a mission to help provide access to credit to their members. The proposed MBL regulation will increase the availability of capital to small businesses in the towns and communities I represent. Helping small businesses succeed is a high priority for me, and I know that in order for the economy to fully recover, small businesses need access to credit, which will help their businesses grow. This change in the MBL rule will help to accomplish that goal.

I also appreciate NCUA for providing credit union management flexibility in the process of making business loans that is in observance of modern commercial lending practices and is in keeping with the statutory framework set in place by Congress. This flexibility is needed as the current MBL rule contains overly prescriptive requirements, like the personal guarantee, which often slow the MBL underwriting process causing credit unions to be uncompetitive.

As a co-sponsor of H.R. 1188 and an original co-author of H.R. 1133, which will raise the member business lending cap and exempt business loans made to our nation's veterans from the cap (respectively), I strongly support the agency's efforts to utilize the Federal Credit Union Act to address these issues. I remain hopeful that Congress will eventually lift the MBL cap. In the meantime, the proposed rule does offer a much needed level of relief. This regulatory change is a good example of a federal agency taking proactive measures to address issues for the foreseeable future.

Thank you for acting accordingly to help create jobs and support small businesses in my district. Again, I urge adoption of the proposed rule.

Sincerely,

A handwritten signature in blue ink that reads "Julia Brownley".

JULIA BROWNLEY
Member of Congress