

August 25, 2015

National Credit Union Administration
1775 Duke St.
Board Secretary
Alexandria, VA 22314

RE: Comments on Proposed Rulemaking for Part 723; RIN 3133-AE37

Dear Gerard Poliquin,

I am writing on behalf of VSECU (Vermont State Employees Credit Union), which serves anyone who works or lives in Vermont. We have more than 57,000 Members and \$670 million in assets. We appreciate the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed amendments to the member business lending (MBL) regulation. We support NCUA's efforts to modernize the MBL regulation, which would give credit unions much needed flexibility in running an MBL program.

We support the adjustments in the MBL calculation. Unfortunately, the statutory lending cap remains in place, but we support NCUA removing the 12.25 percent shorthand calculation as it is not required by the Federal Credit Union Act (FCU Act) and only an added complication to the rule. The proposed calculation meets the FCU Act's requirements while removing an unnecessary provision.

Furthermore, the current member business rule has many requirements that necessitate obtaining a waiver, even though they are not mandated by statute. This adds unnecessary burden to credit unions making commercial loans. The proposed rule would remove all of the requirements necessitating waivers and thus eliminate the need for waivers. This represents a major regulatory improvement that we fully support.

Again, we support the NCUA's efforts to modernize the MBL rule. Thank you for the opportunity to comment on this proposed rule and for considering our views.

Sincerely,

Robert Miller
Chief Executive Officer
Vermont State Employees Credit Union

cc: CUNA, CCUL