



MidState
federal credit union

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August 20, 2015

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

Re: Comments on Proposal for Rulemaking for Part 723; RIN 3133-AE37

Dear Mr. Poliquin,

I am writing on behalf of MidState Federal Credit Union, which serves the community of Carteret, NJ. We have 1,100 members and \$15 million in assets. MidState appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed amendments to the member business lending regulation.

We believe the switch from a perspective rule to a principle-based rule will allow for more flexibility when considering LTV and equity contribution requirements. Borrowers would be evaluated using global underwriting conditions without the need for statutory waivers. This would streamline processes and provide for a much better member service experience.

I believe the adjustments in the calculation of loans could help our communities, members, and business's. There are so many credit unions that want to offer business loans, but can't because of the burdensome limits placed on them. We are one of those credit unions. Currently we only participate with Taxi Medallions.

We think the proposed rule and the final rule should be aligned with its interpretations by NCUA staff, examiners and credit union management.

I am appreciative of your exclusion of any non-member participation interest in a commercial loan from the MBL cap. For the purpose of complying with the statutory cap; will the calculation of net member business loan balances only be recalculated every quarter on the 5300 reporting cycle, or over some other time period?

MidState believes that these changes are necessary not only for what we have planned for the future of our growth, but the growth of the industry and ultimately the economy as a whole.

Thank you for the opportunity to comment on the Proposed Rule and for considering our views on the proposed MBL rule.

Sincerely,

Tracy Sussmann, CCUE
President/CEO
MidState FCU

CC: Credit Union National Association (CUNA), NJ Credit Union League