

From: [Tim Baldwin](#)
To: [Regulatory Comments](#)
Subject: Comments on Proposed Rulemaking for Part 723
Date: Monday, August 31, 2015 2:50:06 PM

Dear Secretary of the Board Poliquin,

While I applaud NCUA for considering substantive changes to Part 723, there are some areas that appear to be no change at all, and others that are left untouched.

For one, changing the computation of the cap from 12.25% of assets or 1.75 times net worth, whichever is less, to 1.75 times the requirement for well capitalized. As the requirement for well capitalized is 7.00%, that number will always be identical to 12.25% of assets. It seems like a pointless change.

Another pointless change is the allowance for over 80% LTV, provided that anything amount over 80% is totally secured by cash convertible collateral. It seems like a better approach would have been to permit over 80% LTV on certain types of collateral as well.

Also, an increase in the amount of unsecured business loans above the maximum \$100,000.00 amount in the present reg would also give us a little more room to be of service to some of our business members. Sometimes this cap can cost us the relationship.

The National Credit Union Administration is to be applauded for its proposal to ease the regulatory burden facing credit unions lending to small businesses. We do wish the agency would give consideration to a little more liberal position of the the things I have mentioned, but it is at least a start. These days, small businesses need to be able to access credit and it makes sense for credit unions to serve them. Credit unions have never been part of the problem, but they can be part of the solution. The proposal you are considering is a step in the right direction toward making sure that credit unions can fully serve their communities.

Sincerely,

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