

**From:** [Marcia Tidmore](#)  
**To:** [Regulatory Comments](#)  
**Subject:** Risk-Based Capital Comment  
**Date:** Friday, April 24, 2015 3:36:29 PM

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To: Regulatory Comments  
From: Marcia Tidmore  
Georgia Power Northwest Federal Credit Union

04/24/2015

Dear Mr. Poliquin:

Even though Congress has stated that the NCUA must develop risk based capital standards that must be formulated in a similar fashion as the banking industry, we do not believe Congress wished to create a tax on members and abandon the cooperative principles of credit unions, which is what makes us unique and so popular with people. Since the publication in the Federal Register the actual costs associated with this capital tax have been challenged. NAFCU published an estimate that credit unions will need to raise an additional \$760 million dollars in capital to achieve their current capital levels. This will definitely hurt a credit union our size and add an undue burden. Because credit unions only have one source of earnings, that additional capital tax must come directly out of our members' pockets through a reduction in savings rates, increase in loan rates, and potentially changes to transaction fees. We are different from banks because of our lower loan rates, higher dividends and smaller fees so our very core is threatened. We believe the NCUA's estimate falls far short of the actual cost to the industry and again focused on the potential risk to the insurance fund rather than those they regulate and ultimately their members. In an effort to remain the best financial resource for our members, we would encourage the NCUA to withdraw the proposed rule altogether.

On a personal note...as an employee and member of a credit union, I'm opposed to the revised Risk-Based Capital regulation. If the NCUA's goal is to protect the NCUSIF, why implement a rule that will make it harder for credit unions to provide high quality services and rates to their owners? This would seem totally counterproductive. The fact that we're having to waste time commenting on this proposal is also a good example of wasting time that could better be spent in serving our member's needs. In the last ten years, fraud has caused 41% of failures. Turn your attention to what matters; find a way to stop the fraud and don't harm the vast majority of credit unions that have been operating the right way for years. Thank you,



Marcia Tidmore  
Georgia Power Northwest Federal Credit Union