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October 10, 2014

Mr. Gerald Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

RE: Comments on FCU Ownership of Fixed Assets; RIN 3133-AE39

Dear Mr. Poliquin,

The Georgia Credit Union League (GCUL) appreciates the opportunity to comment on the Proposal for FCU's Ownership of Fixed Assets. As a matter of background, GCUL is the state trade association and one member of the network of state leagues that make up the Credit Union National Association (CUNA). GCUL serves approximately 137 Georgia credit unions that have over 2 million members. This letter reflects the views of our Regulatory Response Committee, which has been appointed by the GCUL Board to provide input into proposed regulations such as this.

GCUL applauds NCUA's efforts to provide regulatory relief to credit unions and supports allowing federal credit unions (FCUs) to exceed the five percent (5%) fixed assets limit through a Fixed Asset Management (FAM) Program. However, we do have concerns/reservations regarding the FAM program. We believe that the FAM would place additional burdens on FCUs (for example: analysis, review and board oversight) which they are not currently subject to, so in the end there is actually more regulatory burden than what they currently face. We feel that in order to truly provide regulatory relief for FCUs that NCUA should eliminate the fixed asset limitations altogether and allow FCU boards to set their own, fixed asset limits. The FCU BOD will set reasonable, sound, fixed asset limits as it is in the credit union's best interest to do so, since the credit union will have to manage the program and still be subject to examiner review.

GCUL agrees with the proposed rule that would permit FCUs up to five years from the date of acquisition to meet the partial occupancy requirement, thus extending the current time period for improved premises by two years. However, we do not agree with reducing the current time period for unimproved land or unimproved real property by one year – from six years to five years. While we respect the Board's reason for the reduction, (the proposed five-year time frame is consistent with requirements for real estate acquired by banks for future

expansion), we do not believe that this is a sufficient reason to increase an FCU's regulatory burden by reducing the time period, when the objective is to decrease regulatory burden. Rules for credit unions should be set with safety and soundness in mind, not to just match for-profit banking institutions. Rules that are for banking organizations may not always be in the best interest of cooperative institutions.

We would also ask that NCUA further clarify the partial occupancy requirements to allow premises to be considered partially occupied when a credit union utilizes the premises, such as having an ATM on the property.

We appreciate the opportunity to comment on the Full Occupancy of Premises Acquired for Future Expansion. Currently, the rule does not set a specific time period within which an FCU must achieve full occupation of premises acquired for future expansion. We believe that NCUA should leave the rule "as-is" and not set a time period, as FCUs should have flexibility in this area. This decision should be made on the economic outlook for a particular area and credit union and should not be determined by a rigid timeframe that would apply to all credit unions regardless of size and circumstances. Setting a set time period would turn this into a "one-size fits all" rule, and credit unions should not be pressed into making what could be a compromised or even bad decision just to fit into the constraints of a set timeframe.

We understand that NCUA will be providing guidance on this rule at a later date. We feel the guidance could be critical and could make a significant impact on how the requirements in the proposal are applied. We urge NCUA to provide this guidance in a timely manner and allow comments on the guidance as well, due to its importance in implementing the rule.

GCUL appreciates the opportunity to present comments on behalf of Georgia's credit unions. Thank you for your consideration. If you have questions about our comments, please contact Selina Gambrell or Cindy Connelly at (770) 476-9625.

Respectfully submitted,

A handwritten signature in cursive script that reads "Selina M. Gambrell". The ink is dark and the signature is fluid and legible.

Selina M. Gambrell

Compliance Specialist