From:	Daniel Daigle
To:	_Regulatory Comments
Subject:	Prompt Corrective Action Risk-Based Capital Comment Letter
Date:	Wednesday, May 21, 2014 10:40:58 AM

Dear Secretary of the Board Poliquin,

I am writing on behalf of Connecticut State Employees Credit Union, which serves employees of the State and their families. We have 68,000 Members and $1.7 billion in assets. Connecticut State Employees (CSE) Credit Union appreciates the opportunity to provide comments to the National Credit Union Administration (NCUA) on its proposed rule, Prompt Corrective Action - Risk-Based Capital.

I disagree with the risk ratings applied to mortgage loans and investments greater than one year.

Credit union mortgage loan portfolios should not have a higher risk rating than banks. The risk rating should be no higher than 50% regardless of the concentrations.

CSE Credit Union has $700 million invested in government agency securities with maturities greater than one year. To be forced to hold shorter maturity investments would significantly impair the credit union's ability to pay high member dividends. In addition, this restriction could cause credit unions to seek riskier short-term investments. ALM/IRR modeling already captures these risks. The 50 - 75% risk weighting is too high for these types of investments.

Thank you for the opportunity to comment on this proposed rule and for considering our views on risk based capital requirements.

Sincerely,

Daniel Daigle - CEO
84 Wadsworth St
Hartford, CT 06106