LCC Federal Credit Union

May 27, 2014

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

RE: Risk Based Capital Proposal

Thank you for the opportunity for comments on the proposed Risk based Capital Rule (RBC). Being clear, the proposed rule may have good values built into the model- the outcome however is at the expense of an industry. Not simply the expense of the suggested 200 credit unions that may require more careful audit and scrutiny by the NCUA. Over regulating an industry that is already over regulated is simply not necessary. Consumers may be happy to know their U.S. Government is building in stronger safeguards, yet the truth is that the additional burdensome regulations are at the expense of 95% of the credit unions that are doing a pretty good job. Digging deeper, often these regulations end up costing the individual members at our credit unions that make our industry possible in the first place. The NCUA reads several of the trade magazines that all speak about regulations being a top if not the top concern of CEO's across the country. The answer why is simple- over regulation cost credit union's money to comply and often are simply not necessary. Let's get back to the basics.

Most U.S. roads have speed limit signs and common sense tells us that if it's raining a good idea is to probably slow down a little and carry an umbrella- not put up more speed limit signs. Point here is- adding more regulations to an already overregulated industry is not good for the majority of credit unions. Creating additional regulations is simply adding more traffic signs and takes credit unions focus off the road we've been driving on for a long time- and very safely if I might say so myself. Adding more burdensome regulations is simply not necessary.

The proposed RBC rule will also tax the very exceptional CUSO business model that a majority, if not all credit unions partner with. It would be easy to say that if it ain't broke, don't fix it. However, some fixing is necessary. The RBC rule is not necessary and over burdens the majority of credit unions that are challenged to do well in the low interest rate environment we operate in today. Please reconsider tabling this rule and taking the time to speak on the telephone with a few of the folks out there in credit union land that are taking on too much risk. If it works best, drop by the main office of these credit unions or CUSO's, have the formal discussion before a problem is out of control and document an action plan that always works well.

The NCUA already has a well-established call report system in place in which to track the trend of every credit union. Tracking the trend are the key words. The call reports which are all electronic could easily be programmed to send alerts- both to the credit union trending in an incorrect direction and to the field examiner.

History is our best teacher and history is very clear that too much tax, too much regulation, too much of anything is not good. Let me finish on a lighter note- the classic "Thelma and Louise" movie had an ending that was drastic. You may recall the beautiful red convertible slowly running off the cliff to a tragic end. It's the movies, and the ending was painted as a heart-warming ending. Bottom line- two people and a beautiful red convertible came to a bad ending. Please reconsider a great big pause on this RBC regulation as a start to stopping what is already an overregulated industry.

Thank you for the opportunity to comment,

James R. Dickinson Jr.
President/CEO