May 21, 2014

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

Re: Risk Based Capital Proposal

Dear Mr. Poliquin:

Dade County Federal Credit Union is a federally chartered credit union headquartered in Doral, Florida that serves approximately 70,000 members, with an asset size of just under $600,000,000. Our 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.

After an analysis of the Proposed Rule, specifically the risk weights and methodology that the NCUA has assigned to multiple products, it is our determination that the Rule as presented, will limit the ability of credit unions to assist members, severely weaken our industry, and prevent communities from prospering.

Overall we do not support any measure that places credit unions at a significant disadvantage to the standards that are being implemented by BASEL III and followed by the banking industry.

Specific to the NCUA proposed rule, the following items are noted for your consideration:

- Eliminate the provision allowing for authority to the NCUA Examiners to impose additional capital requirements to credit unions on a case by case basis.

- Keep the current aggregate limit of member business loans at 12.25% of credit union assets. And eliminate the proposed tiered risk rating for member business loans at 100%, 150%, and 200%.

- Do not impose a 250% risk weighting for CUSO investment, when a credit union's maximum exposure to a CUSO is limited to 100% of the investment.

- Change risk weightings for mortgages, mortgage servicing and long-term assets from proposed rule to match Basel III for small banks at 50%, regardless of asset concentration, or leave as current.

- Eliminate the proposed 50% weight for Short Term Investments.

- Extend any transition period from 18 months to a minimum of 5 years.

Dade County Federal Credit Union is currently "Well Capitalized" and will continue to be "Well Capitalized" under the new proposal, though the implications of the proposed rule will negatively affect the credit union movement as a whole. Credit unions have survived the worst economic time in our history. We question the need for this regulation at a time when most credit unions are showing positive net income and rebuilding their net worth. Why is such a drastic change really needed?

While we support risk-based capital measures, we do not support placing credit unions at a disadvantage as compared to the banking industry. A consequence to this proposal is that credit unions will be forced to limit credit availability to the membership and the community, causing an exodus of members from the credit union movement on a national scale.

It is our view that the NCUA should reconsider and take a more measured approach in the implementation to a proposed rule. We are in agreement that it would be far simpler and achieve similar results by increasing the well capitalized threshold to eight percent (8%) and thus eliminating the multitude of flaws in the current proposal.

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

Sincerely,

George Joseph
President and CEO
Dade County Federal Credit Union