

August 21, 2015

Gerard S Poliquin  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, Virginia 22314-3428

RS: Comments on Advanced Notice of Proposed Rulemaking for Part 723

Dear Mr. Poliquin

Lewiston State Bank is a \$300 million community bank here in the northern part of the great state of Utah. I have personally been here at the bank for over 42 years. During those 42 years the business model of our bank has changed drastically. Through the years our consumer loan activity has been reduced to a very small portion of our loan portfolio. Our business model now evolves around the local businesses and the agriculture environment in our rural area.

Due to the banking landscape Lewiston State Bank has focused mostly on the business and agriculture industries. We deal with the ever changing price fluctuations in agriculture, the climate changing conditions, crop disasters, death loss rations in cattle and the like. We deal with many of our small businesses dealing with competing with larger companies, containing inventories, monitoring receivables and payables, capital limitations and other business challenges. We deal with these day in and day out. We have over the years obtained qualified and experienced associates to deal with these banking needs. We believe we have the expertise to deal with these needs. With the growth we have experienced in our agriculture and C & I lending I believe our customer have come to look at our personnel as knowledgeable and helpful to them.

I have come to accept the fact that credit unions have the consumer space in financing. I am okay with credit unions providing affordable personal loans to members of discrete, well defined groups. But I do believe that NCUA is overstepping its regulatory reach by expanding business loopholes. This proposal is contrary to congressional intent to limit lending by credit unions. In 1998, Congress made it clear that credit unions should be focused on consumer lending, not commercial lending. Congress instituted restrictions on business deliberately: "to ensure that credit unions continue to fulfill their specified mission of meeting the credit and savings needs of consumers, especially persons of modest means, through an emphasis on consumer rather than business loans." By proposing this rule, the NCUA Board has blatantly disregarded congressional intent. NCUA should not undermine specific limitations imposed by Congress not expand the taxpayer liability.

As part of the Safety and Soundness Examination by the FDIC we are subject to extensive scrutiny on all lending products. The review of all C & I and Agriculture loans is very thorough by the FDIC. With the proposal to increase business lending by credit unions there are serious safety and soundness concerns.

*Established 1905*

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NCUA has not established that it is prepared to supervise credit unions with expanding business loan portfolios, and the credit union industry has proven ill-equipped to make such loans. Also, relaxing the regulatory standards is contrary to NCUA's charge of protecting the industry's insurance fund, and effectively places the taxpayer at risks. NCUA is willfully ignoring lessons from their history and encouraging credit unions to divert funds from consumer lending to commercial lending.

This clearly would be a substantial change in current business lending standards that goes way beyond the letter and spirit of the Federal Credit Union Act.

Sincerely,

A handwritten signature in black ink that reads "Anthony Jon Hall". The signature is written in a cursive style with a large, stylized initial 'A'.

Anthony Jon Hall

President/CEO