

From: [Todd Harper](#)
To: [Regulatory Comments](#)
Subject: TBA opposes the NCUA's proposed rule to dramatically expand credit unions' authorities for Member Business Loans and Commercial Lending
Date: Wednesday, July 22, 2015 2:45:57 PM

Todd Harper
1525 S. Seguin Ave.
New Braunfels, TX 78130

July 22, 2015

Dear Gerard Poliquin,

NCUA's proposal poses serious safety and soundness concerns. NCUA has not established that it is prepared to supervise institutions with expanding business loan portfolios, and the credit union industry has proven ill-equipped to make such loans. At least five credit unions since 2010 have failed at the hands of poorly run business loan programs, accounting for a quarter of all losses to the insurance fund during that period. In 2010, member business loans were the primary or secondary contributing factor for the supervisory concern for nearly half of the credit unions with CAMEL ratings of 3, 4 or 5 that made business loans. The level of delinquent member business loans dramatically rose from 0.53 percent in 2006 to 4.29 percent in 2010; compared to a total loan delinquency of 1.74 percent, this is a clear indication that credit unions, and NCUA itself, were ill-prepared for the additional responsibilities and risks associated with commercial lending. Losses could quickly multiply under this proposed rule.

As a tax paying citizen I am strongly opposed to the expansion of credit unions' authorities in commercial lending. I feel that if they want to play with the banks then they should pay taxes like banks. It is very unfair that banks have to pay taxes but that credit unions do not. If credit unions paid taxes I feel that it would go a long way to fixing many of the problems that congress has trouble funding.

Sincerely,
Todd Harper