



Friday, July 24, 2015

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

RE: Comments on Proposed Rulemaking for Member Business Loans, Part 723

Dear Mr. Poliquin,

The proposed rulemaking for member business loans, Part 723, poses serious safety and soundness concerns. The credit union industry has historically proven ill-equipped to make business loans, demonstrated by the five credit unions that have failed since 2010 due to poorly run business loan programs. These failures account for a quarter of all losses to the insurance fund during that period of time. Losses such as these could multiply under this proposed rule. NCUA is charged with protecting the industry's insurance fund, but relaxing the regulatory standards, which is what this rule proposes, will place the taxpayer at risk.

In 1998, Congress made it clear that credit unions should be focused on consumer lending, not commercial lending. By proposing this rule, the NCUA Board has blatantly disregarded congressional intent.

My bank's small business loan program is the cornerstone to several communities in Southern Arkansas. Expanding the credit union industry's authorities into commercial lending will impact my bank's ability to serve customers.

Sincerely,

Chris Gosnell
Executive Vice President
Farmers Bank and Trust

Cc:

Senator John Boozman
Senator Tom Cotton
Congressman Steve Womack

Congressman Rick Crawford
Congressman French Hill
Congressman Bruce Westerman