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July 22, 2015

Joyce A. Wessels
1st Vice President

Mr. Gerard S. Poliquin
Secretary of the Board
National Credit Union Admin.
1775 Duke Street
Alexandria, VA 22314-3428

JUL27'15 PM 2:29 BOARD

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

Dear Mr. Poliquin:

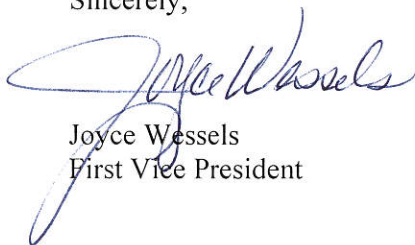
It is with concern that this letter is written in regard to the expansion of business lending for credit unions. Under this new proposal, there are serious safety and soundness concerns that should be considered. Is the NCUA prepared to supervise institutions with expanding business loan portfolios? As you are aware, 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. This is a clear indication credit unions and the NCUA are not prepared for the additional responsibilities and risks associated with commercial lending. Losses could quickly multiply under the proposed rule.

Relaxing the regulatory standards is contrary to NCUA's charge of protecting the industry's insurance fund and places the taxpayer at risk. NCUA is ignoring lessons from their history and are encouraging credit unions to divert funds from consumer lending to commercial lending.

The new proposal is contrary to congressional intent to limit business lending by credit unions and the NCUA is overstepping its regulatory reach by expanding business lending loopholes. Congress has made it clear that credit unions should be focused on consumer lending, not commercial lending. Congress has instituted restrictions on business lending 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 loans rather than business loans. The NCUA Board will be disregarding the congressional intent with the proposal of this rule.

Your attention to these concerns is appreciated.

Sincerely,



Joyce Wessels
First Vice President