

From: [Jim Purcell](#)
To: [Regulatory Comments](#)
Subject: Opposing NCUA's proposed rule to dramatically expand credit unions' authorities for Member Business Loans and Commercial Lending
Date: Tuesday, August 04, 2015 5:03:53 PM

Jim Purcell
113 Cedar Rd.
Big Spring, TX 79720

August 4, 2015

Dear Gerard Poliquin,

The National Credit Union Administration (NCUA) board released a proposed rule to relax business-lending for tax-exempt credit unions. As a community banker, I oppose the campaign to extend its government-funded competitive advantage over community banks by increasing the business lending requirements. Credit unions were authorized by congress to have a limited scope, and it should be congress who addresses the change to relax the original basis.

If congress does make the changes to enhance the products offered by credit unions, then maybe they can also address the capital requirements, tax status, as well as other regulatory burdens, such as the Community Investment Act that apply to banks.

In our community of approximately 30,000 residents, we have seven credit unions, seven banks, and over fifteen loan companies. While the credit unions and banks are a regulated group, they are not regulated by the same standards. The credit unions in our community average less than 30% loan to deposit ratio, and do not have to comply with the Community Reinvestment Act. The loan to deposit ratio is very similar in the community banks, who must comply and pay taxes. There is ample capacity for more loans, however it is based on demand in the community.

I cannot support the expansion of any industry that competes with another on a preferential basis. Regulatory relief does not mean promoting explosive growth of the credit union industry at the expense of community banks, taxpayers, or the communities those banks serve. When the capital requirement, tax basis, and regulatory burdens are the same, then the playing field is level with no complaints in expansion.

Respectfully,
Jim R. Purcell