

August 17, 2015

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

AUG25'15 PM 1:33 BOARD

RE: Comments on Proposed Rulemaking for Member Business Loans, Part 723. Dear Mr. Poliquin:

I am writing to the National Credit Union Administration today to urge you to withdraw the proposal to "modernize" the NCUA's member business lending regulation.

I work at a small locally owned/employee owned Community Bank with only one location in Moose Lake, Minnesota. Right down the street from it is a huge Credit Union with several locations throughout Minnesota.

There are serious doubts about whether the typical credit union has the expertise to expand their commercial lending operations, either by originating more commercial loans or by purchasing participations. Credit union delinquency rates are much higher for these loans than for other types of loans. Giving the credit unions additional commercial lending authority now, and hoping that they learn how to safely and soundly make those loans as they go, is a reckless strategy.

The NCUA admits that it not prepared to regulate the credit unions if they make a significantly higher number of commercial loans. The NCUA will spend millions of dollars training examiners to regulate credit unions making commercial loans. Since the NCUA is not prepared for this type of expansion of commercial lending, the NCUA should abandon this plan and keep the credit unions focused on their real mission, serving people of modest means.

Thank you for considering my comment letter.

Sincerely,



Karen Mikrot
28549 Oak Bend Way
Sturgeon Lake, MN 55783