



National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

As you are aware, on June 18 the NCUA proposed a rule that would completely overhaul the NCUA's current Member Business Lending (MBL) regulation. I wanted to provide a perspective from over 30 years of business lending and building teams of business experts who professionally and safely deliver valuable services to our business members in the markets we serve.

Oregon currently has their own state-specific MBL rules. These state-specific MBL rules have helped our Credit Union as well as many Northwest credit unions weather the 2008 Wall Street banking crisis and proved how they excel in sound lending and risk management practices. State-specific rules allow state supervisory authorities to interpret a rule differently from the way that the NCUA interprets a section of a rule, even if the rule is substantially the same as the NCUA rule and work with CUs to manage and mitigate overall portfolio risks. Existing state-specific rules allowed for proof of concept and provided the NCUA a road map for improving their MBL regulation.

This is an important issue to all credit unions—state chartered, federally chartered, and credit unions in states that do not have their own MBL rules, because all credit unions benefit from a regulatory environment that promotes innovation and ensures that the federal government does not preempt state authority.

We ask that the NCUA not make any adverse changes to part 741 and continue to allow States to maintain previously adopted state rules and to retain the ability to update or submit a new state rule to the NCUA Board for approval.

I would like to specifically thank all three NCUA Board Members, Chairman Debbie Matz for championing the MBL reform effort, and Vice Chairman Metsger and Board Member McWatters for offering input that substantially improved the draft proposal.

The current state adopted rules and process that allow state regulatory authorities to work directly with Credit Unions that operate within their unique boundaries provides the best and most efficient way to manage the risks that come with prudent business lending and allow us to best serve our business members efficiently and effectively.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "Rich Muckey", is written over a white background.

Rich Muckey, Chief Lending Officer