

CITIZENS STATE BANK  
OF GLENVILLE  
"WHERE YOU AND YOUR BUSINESS ARE APPRECIATED"  
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION  
GLENVILLE, MINNESOTA 56036

BOB KRIER  
VICE PRESIDENT & CASHIER

TELEPHONE  
507 / 448-3981

August 26, 2015

Mr. Gerard 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 732

Dear Mr. Poliquin:

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

We are a small \$39 Million bank serving a rural community. Currently we are only 43% loaned up. We are faced with fighting government sponsored agencies and tax advantaged agencies for loans. Maintaining profitability has proven very difficult when faced with competition that have rules and benefits so bent into their favor.

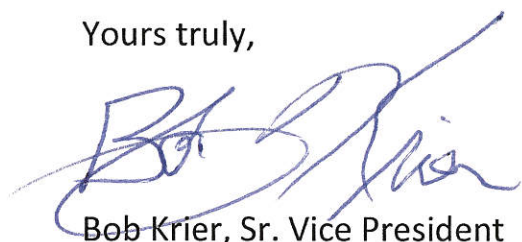
Credit unions received tax and regulatory advantages because they once served "people of modest means". If the benefit of tax-advantaged credit is supposed to support low- and moderate-income individuals, why would the NCUA continue expanding lending opportunities to commercial entities? Instead, the NCUA should work to ensure that credit union branching patterns, product offerings and advertisements support their tax exempt mission of serving low- and moderate-income people. The taxpayers subsidizing the credit union industry should get a

better return on their subsidy. Giving tax-advantaged credit to corporations is poor public policy, which is why Congress repeatedly denied the credit union industry's request.

Over time, some credit unions have remained true to the original credit union model. They continue to have a tight common bond, and they continue to focus on serving the credit needs of individuals and especially people of modest means. Other credit unions have become massive institutions serving the wealthy people and corporations. Instead of limiting these non-traditional credit unions, the NCUA rewards them by giving them the additional authorities they want and be requiring no accountability with respect to their "common bond" and their true tax-exempt mission. This proposal proves why the NCUA was rightfully called a cheerleader" for the credit union industry.

Thank you for considering my comments to urge you to withdraw the proposal to "modernize" the NCUA's member business lending regulation.

Yours truly,

A handwritten signature in blue ink, appearing to read "Bob Krier", with a large, sweeping flourish extending upwards and to the right.

Bob Krier, Sr. Vice President