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Congress of the United States
House of Representatives
Washington, DC 20515-0502

August 31, 2015

The Honorable Debbie Matz
Chairman
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Dear Chairman Matz:

I am writing regarding the recent proposal by the National Credit Union Administration (NCUA) revising the agency's member business lending (MBL) regulation for credit unions. The proposal is an important modernization of NCUA's MBL regulation and will ease the process for credit unions to make safe and sound business loans to members.

The NCUA proposal will provide credit unions with the flexibility they need to support local businesses while keeping within the statutory framework set in place by Congress. This flexibility is needed as the current MBL rule contains a number of burdensome requirements, like the personal guarantee, which often slow the MBL underwriting process to the detriment of credit unions and the businesses they work with.

Credit unions have a history of prudent and safe small business lending and a mission to help provide access to credit to their members. The proposed MBL regulation will increase the availability of capital to small businesses in the towns and communities I represent and is an important tool for helping small businesses succeed in the future.

I applaud your efforts to improve parity in the banking code over non-owner occupied, 1 to 4 unit residential loans. This is an issue that Mr. Royce and I address in H.R. 1422, and I greatly appreciate it being included in the NCUA proposal.

Finally, only Congress has the power to lift the MBL cap placed on credit unions, but your proposed rule does offer a much needed level of relief. I commend NCUA on its efforts to support small businesses and add efficiency and simplicity to the credit union lending process.

Thank you for your ongoing work to promote a safe and sound credit union system and please keep my staff informed as the process moves forward.

Sincerely,



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