



August 31, 2015

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

RE: National Credit Union Administration; Member Business Loans; Commercial Lending; 12 CFR Parts 701, 723 and 741; 80 Federal Register 37898

Dear Mr. Poliquin;

We are writing to you to object to the proposal by the National Credit Union Administration to permit expanded business lending authority for credit unions. This proposal is contrary to the clear intent of Congress and raises significant safety and soundness concerns.

The Ohio Bankers League ["OBL"] is a non-profit trade association that represents the interests of Ohio's tax paying commercial banks, savings banks, savings associations as well as their holding companies and affiliated organizations. The Ohio Bankers League has over 200 members, which represents the overwhelming majority of all depository institutions doing business in this state. The majority of our members make commercial loans. OBL membership represents the full spectrum of FDIC insured depository institutions from small mutual savings associations owned by their depositors, community banks that are the quintessential locally owned and operated businesses, up to large regional and multistate holding companies that have several bank and non-bank affiliates and conduct business from coast to coast.

Changing the rules on business lending is a significant change in policy that must be left to Congress. When Congress first created the limited business lending authority for credit unions in 1998, it made clear that the primary mission of credit unions should remain consumer lending, not commercial lending. Thus, the 12.25% hard cap on commercial lending was created at that time "to ensure that credit unions continue to fulfill their specified mission of meeting the credit and savings needs of consumers, especially persons of modest means." Expanding exemptions to that explicit limit diverts member resources from meeting the needs of consumers to financing large commercial projects and is contrary to that clear Congressional intent to limit business lending by credit unions.

In addition, we believe that expanding the business lending authority of credit unions creates serious safety and soundness concerns, putting the industry's share insurance fund, and ultimately the U.S. taxpayer, at risk. Repealing or reducing requirements for such important lender protections such as

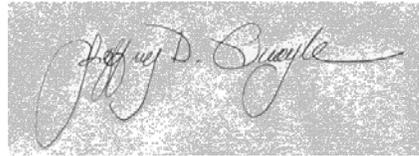
personal guarantees, loan-to-value limits, minimum borrower equity and aggregate loan limits on construction lending creates additional risks credit unions are ill-equipped to manage. During the last recession, several credit unions with active business lending programs failed, even though they were operating within the current congressionally mandated limits. A high percentage of the losses to the insurance fund since 2010 have been as a direct result of poorly underwritten commercial loan portfolios.

For the reasons outlined above, the Ohio Bankers League urges you to withdraw this proposed rule.

Respectfully submitted;



Michael J Adelman  
President & CEO



Jeffrey D. Quayle  
Senior Vice President & General Counsel