April 16, 2015

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

RE: Risk Based-Capital Proposal Two

Dear Secretary Poliquin:

I serve as board chairman of the Maine State Credit Union in Augusta, Maine. Our assets are $363,000 and growing, so the risk-based capital proposal is of great interest to us.

The changes made to the original proposal are a great step in the right direction, however, I do have the following concerns:

- The proposal penalizes credit unions who partner with Credit Union Service Organizations (CUSO's). CUSO's are an efficient and cost effective approach to providing services for credit union members. Without CUSO's, a credit union would either increase its cost by administering the service in-house or choose not to provide that service at all. Most CUSO's are well run and should not be considered a riskier investment than other assets.

- I support removing the interest rate risk component from the proposed regulation, since we have adequate regulations in place. However, I am concerned that NCUA is considering separate regulations which would be in addition to the Interest Rate Risk Policy and Program Rule adopted in 2012. Current regulations provide adequate protection.

- It appears the proposed regulation would allow an individual examiner to evaluate the credit unions capital adequacy beyond the RBC2 requirements and PCA net worth requirements. I see no need for this extension of power.

In summary, RBC2 is an improvement from the first proposal and I applaud your willingness to listen to the feedback. Please consider further steps to improve this draft, particularly so there will be no unintended consequences. Credit unions have remained stable through the economic challenges that occurred during the past six years. Please do not over-regulate the industry when the evidence suggests that this is not necessary.

Thank you.

Sincerely,

Leonard C. Cabana
Board Chairman