

From: [Jamy Wheeler](#)
To: [Regulatory Comments](#)
Subject: Comments on Proposed Rule: Risk Based Credit
Date: Monday, April 27, 2015 5:06:36 PM

I am, and have been, a credit union member since 1994. I joined a credit union because they were able to provide me with services at a fair and reasonable rate. Later, I took advantage of lending opportunities that were at much lower rates than anyone else could offer. I would like to express my opinion regarding the second proposal for RBC. After drawing a record number of comments on the first iteration, the second proposal has not fared well either based on the comments. Admittedly, I have not read all the 450+ pages of the proposal, but it is not required that I do so to know a risk based capital system is not needed. Risk Based Capital programs do not work. You have to look no further than your fellow regulators FDIC and the Fed to find the truth. They have used this for 20+ years. Now, they are saying it does not work. RBC2 hurts credit union members by requiring higher capital ratios than needed. For credit unions, this means selling off assets or reducing credit opportunities. Either way the member-owners of credit unions will suffer. What gain will they get for this cost? Based on NCUA's own comments, RBC2 would require few credit unions to increase their capital. So, where is the need? In a time of high regulatory volatility, you want to create a policy to outline a program for managing capital – something credit union leaders have successfully accomplished for years. The same cannot be said about banks limited by the constraints of a RBC system. As mentioned upon the release of RBC2, there is an issue as to your authority to create a two-tier risk based system. Many have questioned if the regulatory language gives you such power. Even if you are sure of your legal interpretation, you must realize that if passed, legal challenges will come. After all, an NCUA Board member pointed out the possible lack of authority. I ask you to drop RBC2 and go to Congress for answers so that there will be no doubt, as to what they intended. It is Congress, after all, that is **elected** by the people of the United States to create fair and protective laws.

Thank you for your time, Jamy Wheeler – credit union member