

March 27, 2015

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

Re: Comments on Proposed Rule—Capital Planning and Stress Testing—  
Schedule Shift

Dear Mr. Poliquin:

The Credit Union National Association (CUNA) appreciates the opportunity to submit comments to the National Credit Union Administration (NCUA) Board's request for comments on the capital planning and stress testing schedule shift. By way of background, CUNA is the national trade association for America's state and federally chartered credit unions. CUNA represents approximately 90% of America's 6,500 credit unions and their 102 million memberships.

This proposed rule would shift the timeline for credit unions that are subject to NCUA's stress testing rule by changing the required action dates in the stress testing regulation. NCUA is proposing to reduce the time between the "as-of-date" and the capital plan due date from five months to four months. We understand that NCUA is changing these dates to conform to those used by the banking agencies, which were recently updated in a final rule. However, we urge NCUA to maintain the current five months from as-of-date to capital plan due date in a final schedule shift rule.

This schedule shift would result in approximately 20% less time for credit unions to perform tasks between the "as-of-date" and the capital plan due date than under the current schedule. This proposed rule would not provide credit unions sufficient time to complete required capital plans. Furthermore, credit unions have only two months to review the Federal Reserve Board's stress test scenarios instead of the three months in the current rule. This compressed timeframe is even more burdensome because changing the "as-of-date" to year's-end places additional burdens on credit unions subject to the rule due to additional tasks required at the close of the year.

NCUA should also reevaluate the nine quarter planning horizon requirement. A year-end “as-of-date” aligns with completing the process in a calendar year and supports two calendar years. With the proposed schedule shift, stress testing will be aligned with the calendar year making the ninth quarter unnecessary for the capital adequacy plan to cover two calendar years. For this reason we believe that the forecast horizon should be changed to eight quarters.

**Conclusion**

Credit unions need more time to complete the stress testing requirements than the proposed rule would allow. Restoring the time between the “as-of-date” and the capital plan due date to five months, and pushing out the rest of the dates by one month should give credit unions sufficient time to fulfil NCUA’s stress testing requirements. If you have any questions about our comments, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "J. Lance Noggle".

J. Lance Noggle  
Senior Director of Advocacy and Counsel