



October 9, 2018

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

Re: NASCUS Comments on Proposed Rule 701 – Loans to Members and Lines of Credit to Members

Dear Mr. Poliquin:

The National Association of State Credit Union Supervisors (NASCUS)¹ submits the following comments in response to the National Credit Union Administration's (NCUA's) request for comments on proposed changes to NCUA's rule Part 701, Loans to Members. NASCUS' comments are limited to the aggregate borrower limits applicable to federally insured state-chartered credit unions (FISCUs).

NASCUS supports efforts to bring clarity to NCUA's Rules and Regulations. As currently organized, NCUA's disparate borrower limitations are often difficult for federally insured credit unions to easily locate. For FISCUs, that difficulty is compounded by the nature of Part 741, which incorporates NCUA provisions by reference. To further clarify which rules apply to FISCUs, NCUA should incorporate FISCU applicable loan limitations in Part 741.203 in their entirety.

NCUA's rules allow for states to seek an exemption for FISCUs if the state of their prudential regulator promulgates similar rules. NCUA should preserve this preemption.

Clarifying the applicability of NCUA's Rules and Regulations is a laudable goal. NASCUS supports NCUA's proposed clarifications.

Sincerely,

- signature redacted for electronic publication -

Brian Knight
General Counsel

¹ NASCUS is the professional association of the nation's 45 state credit union regulatory agencies that charter and supervise over 2,100 credit unions.