

August 21, 2018

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

***Re: Comments on Proposed Rule: Risk-Based Capital-Supplemental Proposal***

I am writing on behalf of SchoolsFirst Federal Credit Union (SchoolsFirst FCU), which serves school employees and their family members in the state of California. We have more than 800,000 Members and over \$15 billion in assets. SchoolsFirst FCU appreciates the role of the National Credit Union Administration (NCUA) in providing a safe and sound credit union system and we thank you for the opportunity to comment on the supplemental proposal that would amend the NCUA's 2015 Risk-Based Capital Rule regarding prompt correction action (PCA).

**Implementation Date**

SchoolsFirst FCU is in favor of extending the implementation date of the risk-based capital rule. However, we respectfully recommend aligning the implementation date with the timeframe set forth in Section 701 of HR 5841, the "Foreign Investment Risk Review Modernization Act of 2018." H.R. 5841 delays the effective date of the risk-based capital rule until January 1, 2021. The Bill recently passed the House of Representatives and is now in the Senate. While we appreciate NCUA's reconsideration to extend the effective date for this rule, we believe that credit unions would be better served by delaying the implementation date by two years, rather than one.

**Definition of "Complex" Credit Union**

SchoolsFirst FCU agrees with increasing the threshold level for coverage in the definition of a "complex" credit union. We believe the proposed increase to the threshold for coverage will provide regulatory relief to many credit unions. A reasonable regulatory environment is important for credit unions to thrive and work towards the goal of the financial well-being of their Members.

SchoolsFirst FCU thanks you for the opportunity to comment on this proposed rule. We feel that our feedback and recommendations will allow the NCUA to provide the regulation and supervision which promotes confidence in the national system of credit unions.

Sincerely,

  
Francisco Nebot,  
Chief Financial Officer  
SchoolsFirst Federal Credit Union

cc: Credit Union National Association (CUNA)  
California/Nevada Credit Union Leagues (CCUL)