



September 5, 2018

Gerard Poliquin
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314

Re: Request for Comment-Risk-Based Capital-Supplemental Proposal

Dear Mr. Poliquin,

The Ohio Credit Union League (OCUL) appreciates the opportunity to submit comments concerning the National Credit Union Administration's (NCUA) proposed changes to the 2015 final rule implementing a new regulatory framework for risk-based capital (RBC).

As Ohio's 273 credit unions continue to modernize operations, enhance member-experience, and offer consumer-friendly, non-predatory financial services, they look to their prudential regulator to assist in creating an effective operating environment through the implementation of common-sense rules and regulations. For this reason, we support NCUA's efforts to delay the effective date of the RBC rule as issued in 2015. We applaud NCUA for reconsidering the RBC rule and revisiting key provisions.

Despite our support for delaying the effective date, OCUL remains concerned with the RBC rule, even with the adjustments contained within NCUA's current proposal. OCUL understands that the agency is focused on preventing liquidity and capital crises similar to those experienced in 2008, yet OCUL believes the agency has sufficiently addressed this issue through Part 704.

Rather than using \$500 million as a threshold for the "complex" credit union definition, as NCUA proposes, OCUL suggests a higher level (perhaps at the \$10 billion level, which has been rationalized as a differentiating threshold in other financial institution regulatory settings).

Thus, we support the regulatory relief direction NCUA is indicating by delaying the RBC rule and increasing its complex credit union definition threshold. However, since we question the necessity and advisability of the rule itself, OCUL encourages NCUA to press further in providing relief for credit unions from a credit union RBC scheme that is of questionable utility and value for financial cooperatives.

We appreciate the opportunity to engage with NCUA and provide comments on the RBC supplemental proposal. We urge NCUA to continue to study the effectiveness and functionality of the rule. If you have further questions or would like to discuss OCUL's comments in more detail, please feel free to contact us at (800) 486-2917.

Respectfully,

Handwritten signature of Paul L. Mercer in blue ink.

Paul L. Mercer
President

Handwritten signature of Miriah Lee in blue ink.

Miriah Lee
Regulatory Counsel

