



July 17, 2019

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

Re: Cornerstone Credit Union League — Comments on Proposed Rule: Risk Based Capital—Delay of Effective Date, RIN 3133-AF01

Dear Mr. Poliquin:

This letter represents the views of Cornerstone Credit Union League [“Cornerstone”] regarding the National Credit Union Administration’s (“NCUA”) proposed delay to the effective date of its 2015 Risk-Based Capital Final Rule and 2018 Supplemental Rule (“RBC”). Cornerstone is the official trade association serving approximately 478 federal and state credit unions in Arkansas, Oklahoma, and Texas combined, and more than 8.1 million credit union members. Cornerstone appreciates the opportunity to comment on this very important issue.

We fully support the delay in the proposed rule, which delays the effective date for RBC to January 1, 2022. This extra time will give our credit unions adequate opportunity to adjust current methodologies to ensure compliance and meet increased capital reserve requirements. Coupled with NCUA’s other exemptive relief and threshold changes, we feel that most of our credit unions will be well-capitalized by the new effective date.

We appreciate that the delay will provide NCUA the opportunity to more fully explore capital standards that may have not been fully considered. If NCUA uncovers any additional insight through this process, we would appreciate the opportunity to comment on any potential changes.

This delay will also allow our credit unions to allocate limited resources toward other pressing compliance challenges, such as implementing FASB’s Current Expected Credit Loss standard (“CECL”), a concern acknowledged by NCUA in the proposed delay. Our credit unions are well-engaged in the process of formulating methodologies for CECL but would welcome any regulatory relief that will allow them to devote additional resources to that process.

Thank you for considering our comments. Please feel free to contact me with any questions you may have.

Sincerely,

A handwritten signature in black ink that reads 'Suzanne Yashewski'.

Suzanne Yashewski
SVP Regulatory Compliance Counsel
Cornerstone Credit Union League
(512)853-8516
syashewski@cornerstoneleague.coop

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6801 Parkwood Blvd., Suite 300, Plano, TX 75024
P.O. Box 655147, Dallas, TX 75265-5147
469-385-6400 | 800-442-5762 (toll free)
www.cornerstoneleague.coop