



July 26, 2019

Gerald Poliquin
National Credit Union Administration
1775 Duke Street
Alexandria, Va. 22314-3428

SUBMITTED VIA EMAIL: regcomments@ncua.gov

RE: RIN 3313-AF01 – Proposal to Delay the Effective Date of the Risk-Based Capital Rule

Dear Mr. Poliquin,

Please accept this response to the National Credit Union Administration's (NCUA) proposal to delay the effective date of the Risk-Based Capital (RBC) Rule. The Minnesota Credit Union Network (MnCUN) represents the interests of Minnesota's 104 credit unions and their more than 1.8 million members. MnCUN fully supports delaying the effective date of the RBC Rule from January 1, 2020 to January 1, 2022. As expressed by the NCUA in its publication of the proposed delay, there are two sound reasons to delay the effective date.

First, the additional time to prepare will be a welcomed relief for covered credit unions. This is especially important since credit unions are currently working to understand and implement the requirements of the current expected loss (CECL) standard.

Second, the NCUA Board should take time to revisit the necessity of the RBC Rule. MnCUN agrees with Credit Union National Association's (CUNA) assessment; the RBC Rule is a "solution looking for a problem."¹ Please consider the necessity (or rather lack thereof) of the RBC Rule as part of your evaluation process.

Thank you for the opportunity to comment on your proposal to delay the effective date of the RBC Rule. If you have any questions about MnCUN's comments, please do not hesitate to contact me at (651) 288-5517.

Sincerely,

A handwritten signature in blue ink that reads "Tim Tacheny". The signature is written in a cursive style with a large, stylized "T" and "y".

Tim Tacheny
General Counsel
Minnesota Credit Union Network

¹ Cmt. Ltr. - Luke Martone-Credit Union National Association, *Re: Delay of Effective Date of the Risk-Based Capital Rule; RIN 3133-AF01*, July 23, 2019.