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AMERICA'S CREDIT UNIONS

January 5, 2015

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

RE: Comments on the Proposed Rule – 12 CFR 704 – Corporate Credit Unions; NCUA-2014-0037-0001 RIN: 3133-AE43

Dear Mr. Poliquin,

The Georgia Credit Union League (GCUL) appreciates the opportunity to comment on the Proposed Rule on Corporate Credit Unions. As a matter of background, GCUL is the state trade association and one member of the network of state leagues that make up the Credit Union National Association (CUNA). GCUL serves approximately 137 Georgia credit unions that have over 2 million members. This letter reflects the views of our Regulatory Response Committee, which has been appointed by the GCUL Board to provide input into proposed regulations such as this.

GCUL agrees with the proposal for the most part, as most of the amendments are technical in nature. Those components that we have reservations and/or issues with are as follows:

- We disagree that member credit union perpetual contributed capital (PCC) should be deducted from any capital calculations and definitions. We think NCUA should allow all capital, retained earnings and PCC, to continue to be used and counted for all regulatory requirements as it is allowed in the current regulation.

- NCUA's definition of PCC has adverse consequences to credit unions such as lessening the available liquidity a corporate credit union can access for its' members, increasing the uncertainty of the financial stability of the corporate credit union with other financial institutions used for critical products, and causing confusion with credit union auditors when evaluating any potential impairment of PCC because of the change in report capital ratios as a result of discounting the PCC.

- No other financial regulator fails to include or requires partial exclusion of permanent capital or non-cumulative perpetual preferred stock or other similar permanently contributed capital, or discounts for any reason the inclusion of permanent capital into the calculation of core capital.

- In order for a corporate credit union to assist the Central Liquidity Fund (CLF) and member credit unions in a liquidity crisis, the authority for a corporate credit union to provide CLF bridge loans above regulatory lines of credit limits to credit unions in the case where the CLF has approved advances to credit unions, but are waiting for funding, should be allowed under the regulation.

We commend NCUA for extending the maximum borrowing limit from 30 days to 120 days; however we believe that corporate credit unions could be so much more helpful to their member credit unions if the limit were extended to one year or more preferably, two years. Extending the borrowing limit in this way would allow corporate credit unions much more flexibility in providing liquidity to their member credit unions.

GCUL appreciates the opportunity to present comments on behalf of Georgia's credit unions. Thank you for your consideration. If you have questions about our comments, please contact Selina Gambrell or Cindy Connelly at (770) 476-9625.

Respectfully submitted,

Selina M. Gambrell

Compliance Specialist