



May 10, 2021

Ms. Melane Conyers-Ausbrooks
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Re: Simplification of Risk-Based Capital Requirements; RIN 3133–AF35

Dear Ms. Conyers-Ausbrooks:

The Indiana Credit Union League (ICUL) appreciates the opportunity to comment on the National Credit Union Administration (NCUA) advanced notice of proposed rulemaking (ANPR) on simplifying the risk-based capital (RBC) requirements. The ICUL member credit unions represent 99% of assets and members of Indiana's credit unions, with those memberships totaling more than 2.7 million consumers.

NCUA seeks comments on two approaches to simplifying the RBC requirements: risk-based leverage ratio (RBLR) and complex credit union leverage ratio (CCULR). The ICUL does not support the RBLR approach because it will likely require higher capital requirements for credit unions holding certain assets compared to the current RBC requirements. Furthermore, replacing the current requirements with RBLR with an effective date of January 1, 2022, would not be ideal. With the uncertainty surrounding RBLR requirements and the rulemaking process not being finalized, it will not give complex credit unions ample time to evaluate and implement the change.

Regarding CCULR, we support this option because it gives complex credit unions the opportunity to comply with the current RBC rule or CCULR. It is critical that NCUA issue a proposal to seek credit union input on the specific criteria for credit unions. NCUA should not simply use the criteria of community bank leverage ratio. With the criteria uncertainty, NCUA should extend the RBC effective date of January 1, 2022. An effective date should be at least six months after a final rule is published in the *Federal Register*.

The ICUL appreciates the opportunity to comment on this ANPR. If you have any questions about our letter, please do not hesitate to give me a call at (317) 594-5320.

Sincerely,

John McKenzie
President, Indiana Credit Union League