



March 24, 2006

Ms. Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

RE: Comment Letter—Field of Membership Proposed Rule 701.1, IRPS 06-1

Dear Ms. Rupp:

I offer the following comments for consideration in response to proposed changes affecting field of membership rules for underserved area expansions and service facilities.

Trivantage Community Federal Credit Union is a small, low-income designated credit union, and one of the more than 200 that has added an underserved area to its field of membership. TCFCU converted to a community-based charter in 2001, and added an underserved area simultaneously, at the behest of the Region IV office of the National Credit Union Administration.

At the time of our community charter proposal, a four-county area (Cabell, WV; Wayne, WV; Boyd, KY; and Lawrence, OH) in three states with a potential membership of less than 250,000 was requested. The regional office balked at the initial proposal, and although we believed we had proven the area was a community, we were told that the best way to move the proposal along was to reduce it to three counties with a potential membership under 200,000 and request the fourth county (Lawrence, OH) as an underserved area, so the proposal wouldn't have to go before the NCUA board. We had battled with the agency for nearly a year at this point, and because we wanted to serve the hundreds of existing members in Lawrence County as well as expand into this area, we acquiesced. At that time, I specifically questioned the agency about the potential for a change in policy and was told "it wouldn't happen." Unfortunately, just five years later, it has.

All four counties that we serve qualify as underserved. All have household income levels below eighty percent of the national average, with poverty levels between fifteen and twenty percent. The counties are mostly rural, with fewer than 250,000 people spread out over some 1400 square miles.

A small credit union such as Trivantage Community Federal Credit Union cannot afford to have a service facility in each county. I respectfully disagree with NCUA's proposed

rule forcing a credit union to open a service facility in an underserved area within a two-year period. TCFCU has two offices less than a mile each from our underserved area, but they are located in another state, just across the Ohio River by bridge. Under your proposal, this situation would be given no bearing, nor would available technology, commuting patterns, and other important factors. More flexibility needs to be built in to this part of your proposal, to take into account the circumstances just described. Therefore, I believe that reviewing each credit union's plans on a case-by-case basis is the best method for determining the need for a service facility.

Consumers are the real losers with your proposal. If credit unions of all charter types are not given the opportunity to expand into underserved areas, thus improving access to reasonably-priced financial services, the credit union alternative for many underserved communities will be lost, competition will be eroded, and consumers will have few options and little choice left in the financial marketplace.

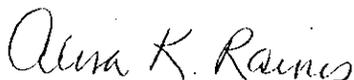
I recognize the need for NCUA as a regulator to effectively manage all types of risks, including those related to underserved areas; however, the proposed rules appear to be designed to appease bank trade and lobby groups, and do not appear to address any known or perceived problems with current law or safety and soundness issues.

If language in H.R. 1151 is at the root of the problem, and it was not the intent of Congress to allow only multiple group credit unions to add underserved areas, then the most obvious fix is Congressional action. Yes, the bankers will cry "foul," but the only way to put an end to this baseless legal action is to have the right of underserved expansions for credit unions of *all* charter types clearly defined by statute.

I respectfully ask that NCUA reconsider its field of membership proposals. Careful thought needs to be given to these proposals and the undue burdens and limitations placed on credit unions, and ultimately, consumers. This knee-jerk type reaction to current legal action only serves the bank trade groups and does nothing to fix the real issue or preserve consumer choice.

Thank you for your consideration of this matter. If I can be of further assistance, please do not hesitate to contact me.

Sincerely,



Alisa K. Raines
President/CEO