

From: [Larry Hoff](#)
To: [Regulatory Comments](#)
Cc: "[Monica Anderson](#)"; [**Alden Bebe](#); [**Gloria Rigney](#); [**Greg Berg](#); [**Jack Courtney](#); [**Jan Dennis](#); [**Jerry Howell](#); [**Jim Keller](#); [**John Barker](#); [**Lynne Johnson](#); [**Norm Beckers](#); [**Steve Mealy](#); [**Terry Alsteen](#)
Subject: Fibre Federal Credit Union - Comments on Notice of Proposed Rulemaking for Chartering and FOM Manual
Date: Friday, November 02, 2012 7:14:34 PM

National Credit Union Administration

Proposed Rule: 12 CFR Part 701
RIN 3133-AE02

Chartering and Field of Membership Manual for Federal Credit Unions

Chairman Matz, Mr. Fryzel:

On behalf of Fibre Federal Credit Union, I want to express my appreciation for the opportunity to comment on this proposed change. In addition, I'd like to thank you for recognizing the challenges credit unions located within "rural districts" experience on a daily basis.

Although the majority of the logic expressed within the proposed rule is understandable, I'd like to argue against the rural district expansion proposal discussed as the greater of (1) a total population of 200,000 or (2) three percent of the total population of the state in which the majority of the district is located. I feel that the numeric limitations are too restrictive for the majority of credit unions operating within rural areas.

The three percent limiter essentially provides no additional benefit to credit unions located in 37 states. Your discussion suggesting that you believe a higher limit could result in rural districts "disproportionately large in relation to a state's population" seems to concentrate on numerics alone as opposed to taking into consideration the true geographic personality within specific regions of each state. The 13 states which hold a total population significant enough to benefit from the three percent limiter may certainly have larger geographic rural districts and should be afforded the flexibility. However, as is the case with our credit union, our geography is and demographics are predominantly rural and the three percent limiter offers us no additional flexibility. I could also argue, in the case of states with significantly smaller total populations and predominantly rural demographics, that their definition of a rural district would not correlate negatively with a larger portion of the state being officially designated as a rural district within this proposal.

I understand the dilemma you're faced with as you work to recognize the individual challenges of all credit unions. Serving all, well deserving members within actual rural areas certainly involves a unique set of issues. I simply believe that enhancing this previously enacted tenet should contain some ultimate consideration for all credit unions who serve members within truly rural districts.

Sincerely,

Larry A. Hoff
President
Fibre Federal Credit Union
Longview, Washington