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On behalf of Texas Workforce Credit Union, I would like to comment on the National Credit Union Administration (NCUA) proposal to amend the associational common bond provisions of NCUA's chartering and field of membership rules.

The distinguishing characteristic between a credit union and other financial institutions is its cooperative nature and democratic governance structure of one member one vote, not field of membership. However, the Federal Credit Union Act provides covenants that require credit unions to have a defined field of membership.

" the membership of any Federal credit union shall be limited to the membership described in one of the following categories:

(1) **Single common-bond credit union.**—One group that has a common bond of occupation or association.

(2) **Multiple common-bond credit union.**—More than one group—

(A) each of which has (within the group) a common bond of occupation or association; and

(B) the number of members, each of which (at the time the group is first included within the field of membership of a credit union described in this paragraph) does not exceed any numerical limitation applicable under subsection (d) of this section.

(3) **Community credit union.**—Persons or organizations within a well-defined local community, neighborhood, or rural district."

In this instance the purpose of the proposed regulation is to clearly define and restrict membership for single common bond and multiple common bond credit unions. The proposed regulation does nothing to provide for similar consideration for community chartered credit unions.

A significant part of the mission of a community chartered credit union is to serve people and organizations within their geographic boundaries. Charitable and not for profit associations have been excluded from membership in community credit unions by regulation, not law. For example, alumni associations of colleges and universities and hospital foundations are organizations established within a community but are not permitted for a community charter. What better way for a credit union to contribute to the welfare of a community than to allow it to serve members of such associations.

In any event, I believe regulations already in place can control abuses if properly enforced. From my perspective, the proposal appears to be consistent with the intent of the Act and reinforces the common bond relationship credit unions have with their members. The most significant oversight is the failure of the proposal to allow community chartered credit unions to include legitimate associations within their community to be part of the credit unions field of membership.

I support the proposed regulation and I strongly encourage the Board to expand the chartering and field of membership for community chartered credit unions to include associations – as defined by the proposed regulation.

Mary Dunagan
President