

December 23, 2015

Dear Secretary of the Board Poliquin,

As the President/CEO of Northeast Arkansas Federal Credit Union, I would like to commend the National Credit Union Administration's initiative to reform field of membership (FOM) requirements.

In reality, current rules are limiting credit unions' ability to serve their respective fields of membership. The current restrictive guidelines have been a contributing factor in the shrinking number of federally-chartered credit unions. If the field of membership rules were updated, perhaps this can be reversed. Rule updates would allow credit unions to expand their service electronically to geographically unreachable pockets of consumers. Credit unions are committed to helping members of modest means, and rule expansion could offer access to populations deserving of more financial options.

Currently, credit unions who wish to expand into underserved communities find themselves in a quandary, often forced to sever relationships with select employee groups who fall outside the geographic bounds of the proposed expansion. Credit unions should not have to face the choice of expanding into one area, only to cut-off service to another deserving group of potential members who would then be left with fewer financial options.

Also, under current guidelines, credit unions are sometimes obligated to make facility commitments within a very short timeframe. It is vital credit unions, especially in a more electronically connected society, be able to build a membership base while planning in a financially prudent manner for brick and mortar facilities. To require a physical location based solely on a standard time-table, without considering a variety of community and economic factors, puts unnecessary financial stress and workload on credit unions.

As a credit union located in the Arkansas Delta, we serve a membership that is economically distressed. NEAFCU services, such as credit builder loans and financial counseling, can make a difference for members. If our credit union was able to expand into other rural areas in a prudent and economical fashion, we could more widely share these and additional services aimed at helping members improve their financial position.

Industry-wide, credit unions have shown commitment and financial stability in economically turbulent times. Our credit union joins with others in the industry by assuring NCUA, and consumers, we are committed to serving members of all socio-economic levels, including rural America. I urge and support common sense changes to field of membership rules.

Sincerely,



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