

January 29, 2016

National Credit Union Administration  
Gerald Poliquin, Secretary of the Board  
1775 Duke Street  
Alexandria, VA 22314-3428

RE: Comments on Notice of Proposed Rulemaking for Field of Membership - RIN: 3133-AE31

Dear Gerald Poliquin,

The National Credit Union Administration Board (NCUA) is proposing to amend part 701 of its rules and regulations to make revisions to the agency's chartering and field of membership manual. I am writing on behalf of **Ozark Federal Credit Union**, which serves six (6) counties in Southeast Missouri under a Rural District community charter, to express support for NCUA's proposed field of membership rule.

I wish to focus my comments on only two (2) of the proposals:

- Increasing the population limit for rural districts and,
- Using Congressional districts as well-defined local communities.

I support both proposals due to my own recent experience in converting to a community charter.

**Population limit for rural districts:**

My credit union operated for many years as a multi-SEG charter. One of the SEGs was actually Butler County, which was added as a CDFI underserved area. With that addition, we essentially had a one-county community charter. As we grew, it became clearer that further FOM expansion would come through a true community charter. We pursued just that, and in 2014 were granted a community charter which included all the Missouri counties contiguous to Butler county. It seemed prudent to choose connecting counties so potential members were not so far-flung from our existing branches. There were five counties added and the 2010 Census gave a total population of 138,601 for all six counties. This figure is well under the current limit of 250,000 for a rural district.

This is all well and good for now. However, if we wish to add more counties in the future and use the same strategy of adding contiguous counties, there could be an addition of ten more counties. The population of these ten counties is 213,354 which (combined with our 138,601) would put us over the current limit of 250,000. Of course, we could be selective in adding certain counties, but to what end? We are the only Federal Credit Union headquartered in these 16 counties, and there are only five state-chartered credit unions. We are the largest credit union, at just under \$50 million in assets. The region is "credit-union poor" and I would like to see more Missouri citizens have access to credit union services. The proposed regulation would make it easier for us and/or other credit unions to add service counties to our Field of Membership.

**Congressional Districts:**

I heartily support the idea of using congressional districts. Again, speaking of my own experience in Southeast Missouri, there are 30 counties in the 8th Congressional district with a total population of 750,000. Under current rule, the population exceeds the Rural District limit of 250,000. Yet, there are only 12 credit unions headquartered in this largely rural, somewhat sparsely populated area. There are no large employers likely to charter or have a credit union, so how are these citizens going to ever gain access to credit union services? Most likely through **Rural District** or **Congressional District** charters. It would make sense for NCUA to adopt this rule in order to allow more Americans to have access to credit union services. Despite the large geographic area (largest in Missouri), we do share common community elements of Missouri law and culture, as well as a single representative in Washington, DC.

In short, both proposals would increase opportunities for citizens of Southeast Missouri to have access to credit union services.

Thank you for the opportunity to comment on this proposed rule and for considering our views on Field of Membership. We urge the agency to approve a final rule soon so that credit unions can take advantage of the regulatory relief and field of membership flexibility in the proposed rule.

Sincerely,

Kirk Mondy  
President/CEO  
Ozark FCU

cc: CUNA, CCUL