

**From:** [Deborah Harmon](#)  
**To:** [Regulatory Comments](#)  
**Subject:** Deborah Harmon Comments on Notice of Proposed Rulemaking Regarding Associational Common Bond  
**Date:** Friday, January 29, 2016 8:25:49 PM

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Dear Mr. Poliquin:

As a banker for 41 years I can tell you that expanding the credit union industry's potential field of membership through the proposed rule on Chartering and Field of Membership is unfair and un-needed. These provisions, when combined, would allow federal credit unions to dramatically increase their membership and result in further expansion of the credit union industry's tax subsidy.

What other tax paying industry has such unfair competition? The credit union industry impacts my business and service to my customers and our community unfairly. Banks are for-profit businesses that must balance the offering of products and services that best serve customers. We have to work hard to grow and earn the business so we can offer loans and other economic capital to our community.

One local credit union employee said they don't charge fees for a certain service "because then they won't bank with us". They are NOT banks, yet lobbied to be able to be called a bank. Then they should follow the exact same rules. We are competing with credit unions in our community that are larger than us, but that pay no taxes. Shameful.

A legitimate bond should be required to ensure community credit unions remain local. If they truly want to carry out their public mission, local is key.

I am a country girl - I know what rural is and is not. The intent of Congress was clear to keep the community local and well-defined. This proposal expands those limits dramatically and allows, for example, a congressional district to serve as a "well-defined community". It also increases the rural district population limit by four times the current threshold to one million. The entire state is not a "rural population".

Congress deliberately instructed NCUA through the FCU Act to keep credit unions small and focused on providing services to specific groups that lack other access to financial services. The proposal would disregard this Congressional directive by modifying NCUA's process for assessing stand-alone feasibility of groups that seek to be added to the field of membership of an existing multiple common bond credit union by allowing a streamlined determination for groups with between 3,000 and 4,999 potential new members.

Such a broad expansion of authorities as proposed greatly undercuts Congressional-mandated limits on field of membership and will lead to a broad expansion of the credit union industry's tax subsidy—already valued at \$26.75 billion over the next 10 years. This abuse of regulatory authority has vast implications for both marketplace dynamics and the potential increase of tax subsidies at a time when governments are working with large budget deficits. It is clear that the NCUA Board has blatantly disregarded Congressional intent and is overstepping its regulatory reach.

Sincerely,

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