

February 05, 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 (NCUA) is proposing to amend Part 701 of its Rules and Regulations to revise the agency's Chartering and Field of Membership Manual. I am writing on behalf of NuVision Federal Credit Union, a federally chartered multiple common bond credit union with \$1.3 billion in assets serving 87,000 members, including a number of large select employee groups in Southern California and Mesa, Arizona to express our support for the NCUA's proposed field of membership rule.

As a federally chartered credit union, we are pleased with each of the proposed revisions, but have some recommended changes that we believe should be considered before the rule is finalized:

Section X. Reasonable Proximity through Members' Online Access to Services

We support the expansion of the definition of "service facility", but strongly believe it should be further expanded to include access through an online channel such as a transactional website or mobile platform that permits - at a minimum - accepting shares for members' accounts, accepting loan applications, or disbursing of loans. This change would allow a multiple common bond federal credit union to add a group to its FOM that meets the regulatory requirement of having a service facility within reasonable proximity to the group.

Section XI. Inclusion of Select Employee Group (SEG) Contractors in a Multiple Common Bond

We support the ability to add contractors of a multiple SEG sponsor as this should allow us greater flexibility to serve members closely associated with a SEG who work in a particular area. We do believe though that this rule should be extended to multiple occupational common bond credit unions granting them the ability to add persons who work regularly for an entity that is under contract to any of the multiple SEG sponsors listed in its charter, provided the contractor has a "strong dependency relationship" with the sponsor. The "strong dependency relationship" test is currently available to the single occupational common bond credit unions.

Section XII. Streamlined Determination of Stand-Alone Feasibility of Groups Greater than 3,000

We support streamlined determination, but the proposed threshold of 5,000 is much too low. The cost of compliance and technological expectations of prospective members far exceed the financial capabilities of virtually any start-up credit union. Without significant assistance from a core sponsor and a high initial penetration rate, the chances of a new credit union succeeding with fewer than 10,000 potential members is very low, let alone one with only 3,001 to 5,000. This threshold should be increased to at least 20,000.

Section XIII. Trade, Industry or Profession (TIP) as a Single Common Bond

We support this provision allowing a TIP charter to serve those vendors, contractors, or other groups closely associated with a particular trade or industry, even though the group may not technically fall under the express category of the TIP charter. We would like to see the definition expanded to include employees of entities that have a strong dependency relationship with (and whose employees work directly with and employees of) other entities within the same industry. A close relationship and significant economic dependence between parties where one party would have a difficult time surviving without the other.

On behalf of NuVision Federal Credit Union, I appreciate the opportunity to comment on the proposed rule and thank you for considering our credit union's views. By enacting the rule with our proposed changes the dual charter system will be greatly improved and our nation's federally chartered credit unions will be able to effectively bring competitive financial services to more Americans. We urge the agency to approve the final rule soon so that credit unions can begin to take advantage of the regulatory relief and field of membership flexibility contained in the proposed rule.

Sincerely,

James McHale
Chief Risk Officer
NuVision FCU

cc: CUNA, CCUL