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National Credit Union Administration
Attn: Mr. Gerard Poliquin
Secretary to the NCUA Board
1775 Duke Street
Alexandria, VA 22314-3428
RegComments@NCUA.GOV

January 18, 2016

RE: Comments on Proposed Rule, Appendix B of Part 701
Chartering and Fields of Membership

Dear Secretary Poliquin,

I would like to applaud the National Credit Union Administration for proposing to amend the current field of membership (FOM) rules. I believe that the proposed rules as outlined have been long overdue and that these changes, once implemented, will enable credit unions to serve more members across the country.

As part of the proposed FOM changes, I would also ask NCUA to consider streamlining the application process for underserved areas. For example, any credit union with a Low Income Designation (LID) and are CDFI certified should be permitted to add low income areas within its market service area (25 miles of an existing branch) without the application of any facilities test for those specific areas. A CDFI credit union should be free to determine if its business plan will lead to success regardless of the number of other financial institutions already in that market area. In a free market, we should not have to prove that our services are superior to competitors. If an area is considered 'low income', any CDFI should be free to serve it if they have, or agree to create a facility, within a reasonable period of time.

In closing, I hope that the NCUA will not be intimidated by the bankers who will most likely challenge the proposed FOM rules. As a 30+ year credit union professional, I believe that it is critically important that you modernized our FOM rules so that credit unions can effectively compete now and in the future.

Sincerely,

Demitra M. Houlis

Demitra M. Houlis
Chief Administrative Officer
Peach State Federal Credit Union