

From: mailagent@thesoftedge.com on behalf of rmakler@fnbstaunton.com
To: [Regulatory Comments](#)
Subject: Community Banker - Comments on Notice of Proposed Rulemaking Regarding Associational Common Bond; RIN 3133-AE31
Date: Tuesday, January 26, 2016 9:51:08 AM

Dear Mr. Poliquin:

As we enter into a new election year for the United States President and Commander and Chief, it sorrows me to watch the national debt continue to rise without a reasonable plan in place to correct this problem. The debt is \$18,936,000,000,000 as of this morning and increasing faster every day. But yet, our political representatives continue to allow the credit unions to be tax exempt. With this status, the credit unions do not contribute to any government programs, the armed forces or debt retirement. As you have seen in the current polls, the citizens are now voicing their opinions that current elected officials are not doing their job and may very well lose their positions in government.

This income tax inequality must be addressed and changed. What would happen if ALL BANKS would change their charters and transfer to be credit unions? Many banks are discussing that very thought to level the playing field. I know that our lending rates are lower than credit unions. Mathematically, our rates should be 40% higher, but they are not.

It is time to change the income tax or change our elected representatives.

The NCUA's proposal regarding the chartering and field of membership of credit unions is a gross overreach of the NCUA's authority that would eliminate much of the current field of membership requirements established by the Federal Credit Union Act.

More specifically, the Federal Credit Union Act, as amended in 1998, limits membership in a community credit union to "persons or organizations within a well-defined local community, neighborhood or rural district." The NCUA proposal would effectively remove those requirements. For example, community chartered credit unions would be able to claim that a Congressional district was a "well-defined local community" thus allowing community credit unions in seven states to serve the entire state. The population limits of a "rural district charter" would quadruple to 1 million people and the NCUA proposal would permit rural district credit unions to cross boundaries into other states. Core based statistical areas could exceed 2.5 million in population.

In fact, the proposal presents a lengthy list of ways for most credit unions to circumvent the field of membership requirements resulting in a broad expansion of the credit union industry's tax subsidy. Multiple common bond federal credit unions could expand and include other groups even if there was no physical branch or branches located near the other group--a transactional web site would suffice. Furthermore, there would be an easier process for multiple common bond federal credit unions to add a new group with up to 5,000 members--clearly evading Congressional intent to keep credit unions small and focused on providing services to consumers, particularly those of modest means.

Sincerely,

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