



February 08, 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 Associational Common Bond – RIN: 3133-AE31

Dear Mr. Poliquin,

On behalf of GECU, the largest locally owned state-chartered credit union in El Paso, TX, this letter is in response to the request for comments by the National Credit Union Administration Board (NCUA) regarding the proposed changes to amend Part 701. GECU currently serves a membership of over 341,000 with assets greater than \$2.3 billion and is uniquely located on the edge of Texas, which has created challenges in regards to expanding our field of membership. We appreciate the opportunity to comment on NCUA's proposals and commend the Board for its efforts to address the concerns that federal charters have voiced pertaining to field of membership (FOM). The proposed changes will make it possible for credit unions to reach more people and provide services and education to individuals who are presently restricted due to boundaries and other regulatory challenges.

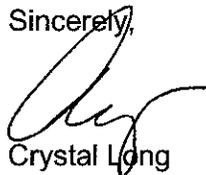
The proposed rule provides regulatory relief for federal charter types as opposed to the current FOM rules and regulations which inhibit their ability to adequately serve their communities. We are in agreement with the proposed revisions as it will allow federal charters to remain viable for years to come. Inaccuracies, such as those disseminated by members of the banking community, hinder the effort to update field of membership rules along with the spirit of the credit union movement. The recent letter submitted to Congressional leaders by the National Association of Federal Credit Unions (NAFCU) effectively identified the intent of this proposal and the impact it will have on field of membership, to which we support and reiterate the following key points:

- The proposal will provide regulatory relief to credit unions in the process of changing charters by streamlining NCUA's chartering and FOM procedures in addition to enabling credit unions to meet the needs of more consumers;
- The proposal reflects a modernized approach to align with changes in state laws, as well as advances in technology and the growth of the financial services industry without legislative change;
- The proposal does not remove the existing Federal Credit Union Act's (FCU Act) limitations on credit union charters; and
- The proposal recognizes new ways credit unions can identify a particular area as "well-defined" and "local" when applying for charter changes. It is important to note that while this criterion is new to credit unions, it is based on existing federal government recognition of these areas and is not used as a means to violate the FCU Act.

A properly functioning dual charter system creates incentives for NCUA and state regulators to move in the direction of polices that allow broader operating authority and imposes fewer unnecessary constraints on operations for both systems. Fewer constraints allows for innovation within the charters due to the healthy competitiveness that is created amongst the two systems. The competitiveness and checks-and-balances that come with charter choice create the need for federal and state regulators to constantly improve.

As written, the proposed revisions to the chartering and field of membership manual would allow credit unions the ability to provide essential services to members currently out of reach and growth for credit unions which is essential for competitiveness and continuance for both state and federally chartered credit unions. We appreciate the opportunity to comment on the proposal. If you have questions regarding our comments, please contact me at (915) 774-8203.

Sincerely,



Crystal Long
President/CEO

CL:dp