

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 for Field of Membership - RIN: 3133-AE31

Dear Gerald Poliquin,

Introductory paragraph:

I am writing in support of the National Credit Union Administration's proposed amendments to Field of Membership (FOM) regulations. Seven Seventeen Credit Union serves 73,000 members in Northeast Ohio. Although we are a state-chartered Credit Union, we appreciate the opportunity to provide comments to the NCUA on the proposed rule changes.

We believe that all Americans should have the option to receive financial services from a financial cooperative.

We also recognize the importance of allowing federally chartered credit unions to serve Americans who share a common bond. These proposed changes provide sensible flexibility regarding those common bonds while limiting restrictive and seemingly arbitrary constraints. Those ultimately benefiting from such a change are individuals and families that want and need credit union service to help them improve their financial well-being. I support...

...the sensible geographic and demographic changes regarding core area service requirements, use of combined statistical areas and population limits as they apply to a well-defined local community. Current limitations and requirements can divide a viable community based on geography, rather than bringing together practical communities based on social and economic cohesiveness.

...the inclusion of SEG contractors and office or industrial park tenants in a multiple common bond to better serve members closely associated with a SEG or who work in a particular area.

...the proposed changes to the concentration of facilities ratio which will prevent the ratio from being diluted or distorted by excluding non-depository institutions and non-community credit unions. By their very nature, these institutions cannot effectively serve the needs of proposed areas.

...using reasonable proximity through members' online access to services in determining whether "Service Facility" is present for purposes of demonstrating reasonable proximity to a group. Modern technology makes it possible to meet the majority of a member's financial service needs. Branch location alone is insufficient to demonstrate a credit union's ability to serve its members.

...a streamlined determination of stand-alone feasibility of groups greater than 3,000. Given the challenges created by the cost and complexity of technology and compliance, it is difficult for many existing small credit unions to survive as evidenced by the rate of consolidation within the industry in recent years. These same challenges would certainly more severely impact the feasibility and viability of a new stand-alone, single common bond credit union.

I appreciate the opportunity to comment. Thank you for considering the views of credit union representatives on the issue of FOM as these changes will benefit the industry and more importantly, Americans than can benefit from access to financial cooperatives.

Sincerely,

Gary Soukenik
President/CEO
Seven Seventeen CU Inc

cc: CUNA, CCUL