January 26, 2016

Mr. Gerard Poliquin,
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

RE: Comments on Proposed Revisions to the NCUA Chartering and Field of Membership Manual

Dear Mr. Poliquin:

I am writing to the National Credit Union Administration (NCUA) today to urge you to withdraw the proposal to revise the NCUA Chartering and Field of Membership Manual.

Venture Bank is a $560 million bank with four branch offices located in the Minneapolis / St. Paul metropolitan area. We are a business bank, offering products and services tailored to support local small and medium sized businesses.

As a former FDIC Examiner, I believe that I clearly understand that it is the responsibility of the Federal supervisory agencies to implement the laws that have been approved by Congress. I firmly believe that this proposal ignores the language that was written into the Federal Credit Union Act (FCU Act). For example, the FCU Act requires a multiple common bond federal credit union to have a service facility within reasonable proximity to any "additional group" added to its field of membership. In this proposal, the NCUA has seemingly ignored this mandate by declaring that an online presence is included in the definition of a "service facility." That interpretation seems a clear contradiction from the Act.

In addition, the proposal states that a single Congressional District is automatically a "well-defined, local community." In issuing this proposal, the NCUA seems to be ignoring the word "local." Congress clearly intended the word "local" to be a limiting term. Otherwise, Congress would have only required that a geographic area be "well-defined."

Credit unions receive extremely generous tax and regulatory advantages. In exchange for those advantages, credit unions should have some limitations. It seems that the credit union industry does not like these limits, so they continually challenge them. They have asked Congress to give them more commercial lending authority. When Congress fails to give the credit unions this additional authority, the credit unions ask that the NCUA give them the additional authority. The NCUA then finds different ways to give the credit unions what they want, even though Congress has never authorized it.

The credit unions want more expansive fields of membership. Congress has never given them this expanded authority. The NCUA then proposes this rule, which is inconsistent with the plain language of the National Credit Union Act. These types of significant policy changes should come from Congress, not the NCUA.

Again, with this proposal the NCUA seems to ignore the language of the Act and I would like to urge the NCUA to withdraw the proposed changes to the Field of Membership Manual.

Sincerely,

Michael T. Zenk
President, Venture Bank