

From: [Steven Raj](#)
To: [Regulatory Comments](#)
Subject: Comments on Proposed Rule, Appendix B of Part 701 - Chartering and Fields of Membership
Date: Monday, February 01, 2016 3:50:08 PM

Dear Secretary of the Board Poliquin,

Reducing the limitations on Credit Union's Fields of Membership is of great disadvantage to local community banks being credit union's do not pay taxes. By not paying taxes credit union's are able to offer some, not many, but some financial tools at a lower cost to the customer. If the local community bank did not have to pay taxes they also could offer the same, limited amount, of financial tools as a lower cost to the customer.

The initial purpose of the credit union initiative was to give LOCAL citizens an avenue to financial services.

However credit unions, and the NCUA, have sought larger territories with no regard to their initial purpose and putting the local bank at an extremely large disadvantage when trying to compete.

If credit unions want to compete in larger fields of membership then they should have to do so on the same playing field and start paying taxes. Or the alternative would be to stop requiring local community banks to pay taxes.

As an member of a credit union you are considered an owner - an owner of what? You certainly can not change or have assess to internal policies or procedures, you can not grant yourself loan approval, interest rates on loans are similar or even higher than at a local community bank. So what are you an owner of? Its a play on words and its time for credit unions to start to play on the same playing field instead of on words.

Sincerely,

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