



**National Association
of Federal Credit Unions**
3138 10th Street North
Arlington, VA 22201-2149

NAFCU | Your Direct Connection to Education, Advocacy & Advancement

September 30, 2013

Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

RE: The National Credit Union Administration Minority Depository Institutions
Preservation Program

Dear Ms. Rupp:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents federal credit unions, I am writing to you regarding the National Credit Union Administration's (NCUA) request for comment on proposed interpretive ruling and policy statement 13-1 which establishes a Minority Depository Institutions Preservation Program (MDI Program). NAFCU has and will continue to support minority owned and operated credit unions. This program sets out to preserve the present number of Minority Depository Institutions (MDI) by providing technical assistance, educational opportunities, and outreach to those credit unions that participate.

Under NCUA's proposed interpretive ruling and policy statement, it defines an MDI, for purpose of eligibility to participate, as: *(a) a federally insured credit union with more than 50 percent of its current or eligible potential members falling within any of the eligible minority groups; and (b) a federally insured credit union with more than 50 percent of the current management officials falling within any of the eligible minority groups.*

In order for the credit unions to self-certify that they qualify as an MDI, they may answer yes to either of the two following questions: *(1) Does your credit union have more than 50% of its current members and current management officials who are Black American, Native American, Hispanic American, or Asian American? or (2) Does your credit union have more than 50% of its eligible potential members and current management officials who are Black American, Native American, Hispanic American, or Asian American?*

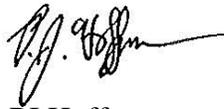
Credit unions with \$50 million or less in assets may self-certify based solely on the knowledge of their membership, but must still meet the 50 percent of management officials

MDI requirement. Credit unions with assets over \$50 million can rely on one of a number of methods to determine the minority composition of their current membership or potential field of membership including demographics data from the U.S. Census, Home Mortgage Disclosure Act (HMDA) data, voluntary collection of data from members, and others.

In order to help facilitate self-certification, NCUA should provide a portal on their website for credit unions to use when searching for the data necessary for self-certification. The portal or webpage should contain links to relevant data sources for the U.S. Census data, HMDA data, and others. This would make it easier for potential MDIs to determine if they are eligible for the MDI Program. While the proposed interpretive ruling and policy statement lists the Office of Minority and Women Inclusion (OMWI) as the office that administers the MDI program, it would also be helpful for NCUA to give credit unions a specific point person within the OMWI to direct any questions about their eligibility.

Thank you for your continued commitment to listen to feedback and looking for new ways to further enhance your approach to serving credit unions. Should you have any questions or would like to discuss these issues further, please feel free to contact me at PJHoffman@nafcu.org or (703) 842-2212.

Sincerely,

A handwritten signature in black ink, appearing to read "PJ Hoffman", with a long horizontal flourish extending to the right.

PJ Hoffman
Regulatory Affairs Counsel