

January 25, 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:

The National Credit Union Administration Board (NCUA) is proposing to amend part 701 of its rules and regulations to make revisions to the agency's chartering and field of membership manual. I am writing on behalf of CoastHills Credit Union, which now serves five contiguous counties along California's central coast, to express support for NCUA's proposed field of membership rule.

We applaud the proposed modifications as a step in the right direction on many fronts. For several years and through several approaches, we pursued a charter expansion as a Federal Credit Union from the 1 1/2 counties the NCUA approved as our field of membership in 2001. In each case, we were denied. Our cases focused on the interpretation of how core areas (CSBA) were being determined. The comprehensive business plan that accompanied each application made the case for why it would be beneficial for residents in the southern half of our divided county to receive the products and services we could bring to them. Additionally, we argued that a singular definition of a community, either based on concentrated population, congressional district, or other limiting statistics, was not universally applicable in many parts of the country, including ours.

Once we exhausted all attempts to expand our federal charter, we instead chose to convert to a state chartered credit union, which was successfully completed in 2014. Upon the conversion, we were approved to serve five contiguous counties and will now be able to grow progressively and strategically. Our neighbors in our expanded field of membership are the true winners, however we will find financial strength and operating efficiencies that will come with our progressive expansion.

As a state chartered credit union, CoastHills will not benefit directly from these proposed changes. Our support is for an industry whose growth is essential, and which must be given the tools and the flexibility to keep pace with our banking competition. Each FOM expansion application requires a detailed business plan. We encourage the NCUA to increase its importance in the approval process, and when a strong business case is made, that the efforts of all involved focus on expediting that plan.

Thank you for the opportunity to comment on this proposed rule and for considering our views on Field of Membership. We urge the agency to approve a final rule soon so that credit unions can take advantage of the regulatory relief and field of membership flexibility in the proposed rule.

Sincerely,

Scott Coe  
SVP Chief Marketing Officer  
CoastHills Credit Union

cc: CUNA, CCUL