

February 04, 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,

Thank you for the opportunity to voice our support and concerns regarding the National Credit Union Administration's proposal 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 Dowagiac Area Federal Credit Union, which serves 2,651 members in Cass and Van Buren Counties in Michigan.

The credit union system can only remain healthy with a robust dual chartering system. I commend NCUA for proposing modernized rules that support improvements to the federal charter. For the most part we support the new rule but ask the Board to consider the concerns we have, make additional modifications to the rule, all to support a final rule which will make the system even stronger.

It is of great importance for my Credit Union to have the ability to grow. Technology has transformed the way members conduct their transactions. Having a service facility in close proximity for a member is no longer a reasonable requirement and may not be fiscally possible. Mobile, self-service kiosks, and highly functioning ATMs are sufficient and have proved successful as a means to serve members no matter where they may be located. Please consider ways to soften the final rule to account for the technology that is now available to credit unions. We request that you find additional means to soften the definition and requirements of a service facility. We feel considering alternative methods such as census data, market share metrics, banked vs. unbanked consumers, and more. We feel this will give NCUA a better insight into the needs of a community and the ability for credit unions to succeed in those markets.

We strongly support the use of Congressional districts as well-defined communities and support inclusion of this provision in the final rule.

We are supportive of this modernization, but request NCUA take careful consideration of opportunities to strengthen the rule, and the credit union system even further. The dual chartering system is important to the health and competitive credit union industry. We believe these additional improvements will help NCUA modernize the federal charter.

Thank you for the opportunity to comment on this proposed rule and for listening to our views on Field of Membership modernization. We urge the Board 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,

Cathy Merrill
CEO
Dowagiac Area FCU

cc: CUNA, CCUL