

From: mailagent@thesoftedge.com on behalf of mcozart@citizensbanktx.com
To: [Regulatory Comments](#)
Subject: Community Banker - Comments on Notice of Proposed Rulemaking Regarding Associational Common Bond; RIN 3133-AE31
Date: Thursday, January 21, 2016 9:51:07 AM

Dear Mr. Poliquin:

The NCUA's proposal regarding the chartering and field of membership of credit unions is a gross overreach of the NCUA's authority that would eliminate much of the current field of membership requirements established by the Federal Credit Union Act.

More specifically, the Federal Credit Union Act, as amended in 1998, limits membership in a community credit union to "persons or organizations within a well-defined local community, neighborhood or rural district." The NCUA proposal would effectively remove those requirements. For example, community chartered credit unions would be able to claim that a Congressional district was a "well-defined local community" thus allowing community credit unions in seven states to serve the entire state. The population limits of a "rural district charter" would quadruple to 1 million people and the NCUA proposal would permit rural district credit unions to cross boundaries into other states. Core based statistical areas could exceed 2.5 million in population.

In fact, the proposal presents a lengthy list of ways for most credit unions to circumvent the field of membership requirements resulting in a broad expansion of the credit union industry's tax subsidy. Multiple common bond federal credit unions could expand and include other groups even if there was no physical branch or branches located near the other group--a transactional web site would suffice. Furthermore, there would be an easier process for multiple common bond federal credit unions to add a new group with up to 5,000 members--clearly evading Congressional intent to keep credit unions small and focused on providing services to consumers, particularly those of modest means.

Sincerely,

Michael Cozart
3705 College Park Drive
The Woodlands, TX 77384