

From: [Kirk A. Hansen](#)
To: [Regulatory Comments](#)
Subject: Kirk Hansen Comments on Notice of Proposed Rulemaking Regarding Associational Common Bond
Date: Monday, February 08, 2016 1:15:32 PM

Gerard Poliquin
National Credit Union Administration
Alexandria DC 22314

Kirk Hansen Comments on Notice of Proposed Rulemaking Regarding Associational
Common Bond

Dear Gerard Poliquin:

Dear Mr. Poliquin:

As a banker, I am concerned about the impact of further expanding the credit union industry's potential field of membership through the proposed rule on Chartering and Field of Membership. The provisions of this proposal, when implemented all together, would provide an unfair advantage to increase membership drastically, resulting in a broad expansion of the credit union industry's tax subsidy.

- My bank serves customers and the surrounding community, and unfair competition from the credit union industry impacts our business. It is difficult or nearly impossible to compete at times given that Banks are not tax exempt, but are for-profit businesses attempting to balance offering products and services to best serve customers while growing the business to offer more lines of credit and other economic capital to communities.
- Congress has kept in place advantages for the credit union industry, but those advantages come with limitations. It seems clear Congress intended to impose limits on the area that a community credit union may serve. This proposal goes beyond any reasonable definition of local and well-defined. T
- Congress deliberately instructed NCUA through the FCU Act to keep credit unions small and focused on providing services to specific groups that lack other access to financial services. The proposal would disregard this Congressional directive by modifying NCUA's process for assessing stand-alone feasibility of groups that seek to be added to the field of membership of an existing multiple common bond credit union by allowing a streamlined determination for groups with between 3,000 and 4,999 potential new members.

Portland Teachers Credit Union was intended to serve a very specific group and it has now become (On Point) who is a lender pretty much to the general public.

This broad expansion of authorities as proposed greatly undercuts Congressional-mandated limits on field of membership and will lead to a broad expansion of the credit union industry's tax subsidy—already valued at \$26.75 billion over the next 10 years. This has vast implications for both marketplace dynamics and the potential increase of tax subsidies at a time when governments are working with large budget deficits. It is clear that the NCUA

Board has blatantly disregarded Congressional intent and is overstepping its regulatory reach.

Sincerely,
Kirk Hansen

Sincerely,
Kirk A. Hansen
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