

FEB09'16 PM 3:14 BOARD

February 3, 2016

Mr. Gerald Poliquin  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria VA 22314

Dear Mr. Poliquin,

I appreciate the opportunity to submit comments regarding the National Credit Union Administration (NCUA) Board's proposed changes to its chartering and field of membership rules.

I am the President/CEO of Billings Federal Credit Union, a federally chartered CU located in Billings, Montana with a community based field of membership. Given the rural nature of our state and current field of membership structure, several of the rules have minimal impact to Billings FCU. Nevertheless, I am compelled to offer some general comments, as well as specific comments on a few areas of the proposal.

First, my general comments. As a former member of the Credit Union National Association's (CUNA) Federal Credit Union Subcommittee, and current sitting member of CUNA's CU Powers Committee, I applaud NCUA for recognizing the stagnant nature of the agency's field of membership (FOM) rules. All over the United States, Credit Unions are abandoning their federal charters in favor of innovative state charters. I find it good common sense to help federally chartered CUs achieve parity with their state chartered brethren, and the proposed rule is a step in the right direction in allowing FCUs the flexibility needed to operate dynamic and efficient cooperative financial institutions. I firmly believe the dual chartering system is necessary for a strong Credit Union system.

As to the specifics of the proposed rule, I strongly support the addition of a Congressional District as a Well-Defined Local Community (WDLC). I believe a Congressional District inherently defines a community with common interests. As such, I am in favor of allowing Montana's lone district to become a WLDC, which will allow my Credit Union to better serve additional underserved, and extremely remote, areas in our state. I would appreciate NCUA providing more information on the standards and process a community Credit Union must follow when adding areas using this provision.

Another facet of the proposed rule I support is the modification to the definition of "Service Facility". Factoring a Credit Union's ability to offer its members online access to its services will greatly improve service to the underserved in large, rural states such as Montana. Billings FCU is exceptionally good at granting consumer loans to its members. Through technology such as transactional websites, online applications and electronic signing capabilities I am confident my Credit Union, as well as many others, can effectively expand our reach and aid consumers in search of a relationship with a cooperative financial institution, particularly those of modest means.

In conclusion, I believe the proposed rule improves a FCUs ability to provide services to members seeking a relationship with a Credit Union, enhances the menu of strategic options available for FCUs to thrive, and helps to maximize the parity between federal and state charters. All of which are a very good thing!

Regards,



Tom Boos  
Pres/CEO  
Billings FCU