

February 03, 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,

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 Hawaii First FCU, a \$35M Native CDFI which serves the Hawaii Island to express support and concern for NCUA's proposed field of membership rule.

While we agree the some credit unions face FOM hurdles and that this regulation needs to be updated, we are also concerned that overly aggressive FOM regulatory changes could incite a war on our tax status. Were we to lose this war Hawaii First FCU would economically succumb and quickly disappear.

All credit unions need to unite in telling a better story on the uniqueness of our movement. How do we really serve the underserved and those of modest means? A few questions added to the quarterly call report could be tallied and celebrated nationwide. Yes, it may mean some additional tracking and reporting but if it clearly defines our difference why would we not be willing to share this? Some credit unions are so much more than just their financials.

We could share:

- # of underserved you have found a way to service with unique and life changing products. Each credit union to submit one example quarterly on how they impacted someone's life.
- # of staff who are Certified Credit Union Financial Counselors. At every point of contact, members receive the level of service they deserve. What bank if any could say this?
- # of one-on-one financial counselling session held? Financial workshops held on-site or at the member's place of employment. Taking our message to the streets.
- Youth savings accounts and age appropriate financial workshops offered on-site or in the classroom.
- Small dollar loans with a savings feature. Build/repair credit, avoid predatory lenders and save money while you are at it.
- Volunteer Tax Preparation Assistance to teach and foster future self-sustainability.
- Benevolence funds available for member emergencies - not a hand out but a hand up.
- Utilize Starter Interrupter Devices to increase vehicle ownership while mitigating the risk to the credit union
- Obtain designation as HUD Home Ownership and Education site.

The list on how we can differentiate credit unions from banks can go on and on but the message never seems to stick. It is time for credit unions to unite and concretely show our difference. It is never going to happen if it is

only an option. Why not take this opportunity while amending the FOM regulation to also require increased proof of differentiation to shield us from future taxation attacks.

Changes to the FOM regulation are far reaching and done with a wide brush could become a detriment to some in the credit union movement.

Thank you for your time and consideration.

Sincerely,

Laura Aguirre  
President/CEO  
Hawaii First FCU

cc: CUNA, CCUL