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December 9, 2016

Mr. Gerald Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314–3428

RE: Comments on Notice of Proposed Rulemaking for Field of Membership Amendments; RIN: 3133-AE31

Dear Mr. Poliquin,

The Georgia Credit Union League (GCUL) appreciates the opportunity to respond to the request for comments on the proposal to amend Parts 701 and 721, Federal Credit Union Occupancy, Planning, and Disposal of Acquired and Abandoned Premises; Incidental Powers Rules. As a matter of background, GCUL is the state trade association and one member of the network of state leagues that make up the Credit Union National Association (CUNA). GCUL supports more than 120 Georgia credit unions (about 60 percent of which are FCUs) that serve over 2 million members. This letter reflects the views of our Regulatory Response Committee, which has been appointed by the GCUL Board to provide input into proposed requests for comments such as this.

Georgia credit unions applaud NCUA's revival of the narrative model with regards to establishing the existence of a well-defined local community (WDLC). The ability for a credit union to select how they plan to expand – whether using the “presumptive community” or using a narrative approach is preferable. It should be up to a credit unions board and management to plan out how they want to grow and allowing credit unions option for the growth also allows credit unions to best serve their membership.

In addition, we support that in providing a narrative that credit unions would also have to submit appropriate documentation, to demonstrate that the community it proposes to serve qualifies as a WDLC based on common interests or interaction among the area's residents. The restoration of the narrative model in the Proposed Rule would provide much needed flexibility for federal credit unions to expand their field of membership.

The proposed rule increases the population cap from 2.5 million to 10 million and is a significant improvement. In our opinion, this cap is unnecessary and prohibits federal credit unions from expanding their membership; a WDLC will undoubtedly experience population growth over time. Since we do not see the need for a population cap, we ask NCUA to eliminate this particular portion of the Proposed Rule.

The rule change addresses the disparity in treatment in a community consisting of a portion of the core based statistical area (CBSA) versus that of a combined statistical area (CSA); we support the Proposed Rule's uniform treatment of the two. This is an option that should be adopted and, in our opinion, made available to federal credit unions.

We also respectfully request that NCUA modernize the existing regulation to recognize that credit unions no longer have to have brick and mortar locations to best serve expanded fields of membership and removing the limitation about having a service facility before you approve associational expansions is needed. In July 2015, NCUA issued guidance to FCUs for serving associations in their field of membership. The letter contained a list of 12 categories of associations for automatic approval and addressed changes made to the Field of Membership Internal Application (FOMIA) system to accomplish that change, but it didn't remove the requirement that a branch location needed to be in the area. In this day and age, the ability to provide electronic services is in some ways more effective than building a branch location. The step taken to make it easier to add associations was tempered with the lack of modernizing the branching requirement. We would respectfully ask that you change that requirement to allow electronic or other means of providing service to satisfy the expansion request.

GCUL appreciates the opportunity to present comments on behalf of Georgia's credit unions. Thank you for your consideration. If you have questions about our comments, please contact Cindy Connelly or Selina Gambrell at (770) 476-9625.

Respectfully submitted,

A handwritten signature in black ink that reads "Cindy Connelly". The signature is written in a cursive style with a distinct underline for the last name.

Cynthia A. Connelly
Senior Vice President/ Government Influence