



The Commercial & Savings Bank

July 19, 2007

Mary F. Rupp, Secretary to the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

RE: Comments Opposing Proposed Rule IRPS 07-1

Dear Ms Rupp:

We respectfully oppose the NCUA proposal that would presume that core based statistical areas are local, well-defined communities. This interpretation is contrary to the requirements of the United States Code, and is an unwarranted expansion of marketing areas for community credit unions.

When Congress amended the Federal Credit Union Act to limit community credit unions to a "well-defined local community", it was not done with an intention to expand the geographic reach of credit unions. Credit unions are provided several advantages so they can better serve people of modest means, but those advantages are tied to limitations. One of those limitations is this restraint on the size and scope of the area served by community credit unions. This proposal would erase that local requirement from federal law, which is beyond the authority of the NCUA.

This proposed revision would *assume* that certain core based statistical areas (or "CBSAs") automatically meet the legal definition of a well-defined local community. Unfortunately, a CBSA is neither well-defined nor local: It is merely a statistical tool used by the Federal Office of Budget and Management for analytical purposes. Because it is just an analytical tool used by federal officials, CBSA boundaries can and do change all the time. Thus, unlike political boundaries these flexible CBSA boundaries are not "well-defined" as required by federal law.

OBM in fact specifically cautions that these definitions should *not* be used to implement government policies or programs without a full consideration of the effects of using those definitions for such purposes. Thus, using a CBSA as the basis for creating new rights and privileges for community credit unions is an inappropriate use of census data in the eyes of the agency the has created these statistical areas. It is even a further departure from federal policy to use a CBSA as a *presumption* to expand the authority and rights of community credit unions. It does not save your proposal that you limit this presumption to only those CBSAs that contain a dominant city or county that is not a Metropolitan Division, but has more than 50 percent of the jobs and 1/3 of the total population.

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nally, core based statistical areas are defined by only commuting patterns with a central
re metropolitan area. While commuting patterns are certainly one factor to consider in
fining a local community, there are many other factors that can and need to be
viewed. If your member manual is revised as you propose, consideration of these
ctors will be artificially cut off. Furthermore, CSBAs only analyze the relationship of
tlying areas to that central population center; it does not even address the interaction
etween the outlying counties or areas. The Federal courts have already ruled that the
CUA cannot ignore the relationship between these outlying areas in defining what
qualifies as a well-defined local community.

or all of these reasons, this bank opposes Rule IRPS 07-1, and respectfully requests that
u withdraw the proposed revision to your member manual.

ncerely;

A handwritten signature in black ink, appearing to read "Mark L. Ginther". The signature is stylized and cursive, with a large loop at the end.

ck L. Ginther
resident/CEO