

July 30, 2007

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

RE: National Credit Union Administration; Chartering and Field of Membership for Federal Credit Unions; 12 CFR Part 701; 72 Federal Register 30988, June 5, 2007

Dear Ms. Rupp:

The Minnesota Bankers Association (MBA) is writing in response to the proposed rule published by the National Credit Union Administration (NCUA) amending the NCUA's Chartering and Field of Membership Manual. The MBA is a trade group representing approximately 450 Minnesota banks. The MBA membership includes a broad range of banks, from small independent banks to regional banking organizations operating in multiple states.

The MBA opposes the proposed rule because it would circumvent Congressional intent by significantly expanding the definition of well-defined local community to include statistical areas and rural districts. This would expand fields of membership beyond what is allowed by law or intended by Congress.

The Credit Union Membership Access Act requires that field of membership boundaries have a "meaningful affinity and bond among members in the context of shared and related work experiences, interests, or activities, the commonality of routine interactions, and a well-understood sense of cohesion or identity." Congress intended that federally-chartered community credit unions be limited to well-defined, local geographic limits.

The current Chartering Manual already exceeds Congressional intent by making any city or county a local community regardless of population size. NCUA should not further circumvent Congressional intent by adding two new additional categories of presumptive well-defined local communities. Without evidence that populations of every statistical area and rural district share a meaningful affinity and bond shown through a commonality of routine interaction, they should not be considered de facto local communities.

The MBA appreciates the opportunity to comment on this proposed rulemaking.

Sincerely,

Tess Rice  
General Counsel