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July 27, 2007

AUG07'07 AM 6:50 BOAR

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

Re: Proposed Rule IRPS 07-1

I welcomed and was much encouraged by the NCUA Board's decision to have staff review and revise the agency's Chartering Manual, specifically with regard to expanding its definition of a "presumptive local community" from that of a single political jurisdiction to include some multiple political jurisdictions. This will greatly simplify the application process for a credit union pursuing a community charter that meets the proposed local community definition.

Several federal agencies such as; the Comptroller of the Currency, The Office of Thrift Supervision, the Federal Reserve Board and The Office of Budget and Management to name a few, have offered definitions of local community for various purposes or federal programs. NCUA should be able to rely heavily on these independent agency definitions for the various community charter applications they approve and this should remove some of the basis for lawsuits that NCUA has had to answer. I support NCUA's reliance on the Office of Budget and Management, based on U.S. Census data and commuting patterns, for support that Core Based Statistical Areas are local communities.

Lastly, while I appreciate that litigation is costly and NCUA is trying to prevent additional lawsuits they are taking the wrong track by proposing to post a public notice on certain community charters. You are essentially announcing that you have a questionable community application. It is solely within NCUA's authority to decide community charters for federal credit unions. I believe you will be sending a message that you are abdicating that responsibility if you invite other financial institutions to help shape your policies and decisions. NCUA should not place any application on a public forum and invite comment.

You are introducing more ambiguity into the process and more confusion for your credit unions. In addition, should NCUA decide to grant the community charter request after receiving comments against the community, you will have opened another avenue for a potential lawsuit; one where they will contend that you didn't consider their comments.

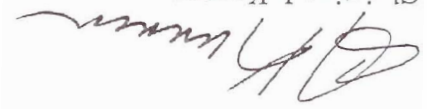
Remarkable possibilities.

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Stating the above, I am disappointed, but understand, why the NCUA Board feels that Metropolitan Divisions need to provide additional documentation of local community. I know from firsthand experience how frustrating and difficult gathering that documentation can be, and I encourage the NCUA Board and their staff to find a statistical definition that would help to streamline the process for credit unions that are pursuing larger community charters, without posting the community charter open for public comment.

Sincerely,



Christine J. Kunnan
Chief Executive Officer