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August 3, 2007

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

Subject: Request for Comment – Proposed Rule IRPS 07-01, Community Chartering Policy

Dear Ms. Rupp:

We have reviewed the subject and respectfully offer our comments for NCUA consideration. The proposed rule effectively removes ambiguous and cumbersome criteria by which community charter requests are currently evaluated, and we commend NCUA for providing much-needed clarity and efficiency to the community charter application process.

By recognizing and codifying that “Statistical Areas” help demonstrate a “Presumptive Local Community,” the proposed rule effectively incorporates the use of objective federal census information and analyses that are developed independent of NCUA and the credit union movement. The statistical area census classifications, by definition, indicate high levels of economic, social, and/or cultural interaction, thus supporting a “local” community. Given the foregoing, those who seek to limit credit unions’ community chartering activities will find it very difficult to dispute community charter approvals granted under the proposed presumptive local community definition.

Where a community charter request does not meet the revised presumptive local community criteria, NCUA provides examples of criteria that are considered relevant to support a local community. The examples provide clarity and direction to community charter applicants, and the criteria are reasonable.

However, we respectfully, but strongly oppose proposed public notice procedures. Chartering activities involve two parties, and two parties only: the credit union applicant and NCUA. NCUA’s absolute power is clear, as, by law, the agency is the sole rulemaking and decision-making authority regarding “well-defined local communities.” No other party has any legal right or role in the charter application process.

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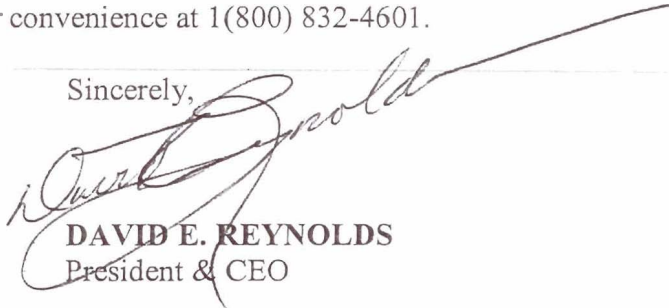
Given the banking community's ongoing rhetoric designed to limit credit unions' growth and service to members, each non-presumptive local community charter application will, without doubt, garner banker opposition.

NCUA is fully qualified to consider the extent to which an application fulfills the criteria supporting a local community, is clearly authorized and empowered to do so, and thus, should not seek public comment. The public comment period will not limit legal challenges, as these will continue to occur, regardless. Instead, the process will invite and subject each affected community charter applicant to bankers' unnecessary scrutiny, scorn, and criticism.

In regards to limitations on voluntary mergers between community credit unions and common bond credit unions, we continue to observe that existing limitations inhibit credit union growth and place the ongoing value of the federal credit union charter at risk. We respectfully request that NCUA work to allow mergers between all charter types, without limitation.

Overall, the proposed rule is a welcomed and appreciated effort that will result in a significantly improved community charter application process, and we support NCUA's efforts in this regard. Thank you for considering the comments of Security Service Federal Credit Union. If you have any questions or require clarification, Chief of Staff Howard Baker or I are available at your convenience at 1(800) 832-4601.

Sincerely,



DAVID E. REYNOLDS
President & CEO