



February 10, 2021

Melane Conyers-Ausbrooks
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: RIN 3133-AF23, Chartering and Field of Membership – Shared Facility Requirements

Dear Ms Conyers-Ausbrooks:

On behalf of the Massachusetts Bankers Association's (MBA) more than 130 commercial, savings and cooperative banks and federal savings institution members with 72,000 employees located throughout the Commonwealth and New England, I am writing to express our strong opposition to the National Credit Union Administration's (NCUA) proposed rule expanding the field of membership for multiple common-bond credit unions. This proposal is yet another example of NCUA encouraging the unfettered growth of the credit union industry at the expense of their congressional mandate to serve low-income and underserved communities.

As you know, in order to add select group or underserved areas to their fields of membership, multiple common bond credit unions are required to establish and maintain a service facility within a reasonable proximity of the group or in the underserved area. This service facility provision is required by statute and the NCUA cannot ignore this mandate through a rulemaking process.

Unfortunately, this proposal not only ignores the statutory mandate but rewrites it to allow a service facility for select groups and underserved areas to include any shared branch, shared ATM, or shared electronic facility— regardless of whether the credit union is an owner of the shared branch network. The proposed rule also eliminates the distinction between service to select groups and service to underserved areas as clearly delineated in the Federal Credit Union Act. This undermines congressional intent to demand a heightened standard of in-person service for underserved communities. Therefore, the NCUA's proposal enables significant field of membership expansion while diluting the physical presence of credit unions in the communities that need it most.

It is clear that the proposed rule opens up multiple opportunities for credit unions, but it would also negatively affect the availability of financial services in underserved areas, including low-to-moderate income (LMI) communities, by reducing the access to deposit and lending services at service facilities. Underserved communities need service facilities that can accept shares for members' accounts, accept loan applications, and disburse loans. Even though an ATM provides none of these services, the NCUA is proposing to allow ATMs to qualify as service facilities. Individuals in traditionally underserved communities should expect the same level of individualized communications and conversation with credit union staff who can respond to their specific needs as those members in higher-income areas.

We are also extremely concerned that NCUA's proposal considers counting the websites and mobile banking applications of credit unions as service facilities. Congress clearly intended for credit unions to have and maintain a local presence in the communities they serve. Counting online presence as a "service facility" would pave the way for national online credit unions that would devalue, dilute, and essentially eliminate any common bond requirement. Abolishing or diluting these statutory mandates eliminates the

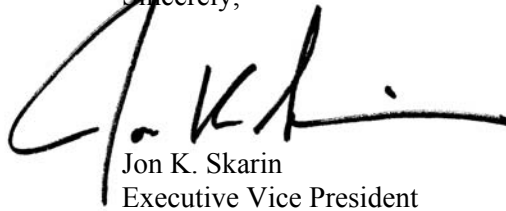
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current nexus between the credit union charter and the federally subsidized mission to provide financial services to underserved communities and people of modest means.

MBA strongly believes that NCUA has overstepped its authority and is attempting to re-write the Federal Credit Union Act through the rulemaking process. We ask that NCUA withdraw this proposal in its entirety. Thank you again for the opportunity to provide our comments. If you have any questions or need additional information, please contact me at (617) 523-7595.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jon K. Skarin', with a long horizontal flourish extending to the right.

Jon K. Skarin
Executive Vice President