

May 21, 2018

Gerald Poliquin
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428
Via email to: regcomments@ncua.gov

Re: Federal Credit Union Bylaws ANPR

Dear Mr. Poliquin:

On behalf of the 2.2 million credit union members we represent, the Heartland Credit Union Association (HCUA) appreciates the opportunity to comment on the National Credit Union Administration's (NCUA) advanced notice of proposal rulemaking (ANPR) on ways to streamline, clarify, and improve the standard Federal Credit Union (FCU) bylaws.

1. How can the Board improve the FCU bylaws amendment process?

An expeditious process should be in place to approve bylaw amendments along with a timeline for completion to approve such requests. Such process and timeline should ensure that expectations can be effectively managed.

HCUA believes that the membership application procedures would be better addressed in the membership application. Since the Federal Credit Union Act (Act) does not address the mechanics of the application process, this section could be addressed outside of the FCU bylaws.

2. How can the Board clarify the FCU bylaws provisions addressing limitation of services and expulsion of members?

The Act allows a majority of the board of directors of a credit union to expel a member based on non-participation of a member. HCUA recommends examples of "nonparticipation" that may include neglect to pay obligations resulting in a financial loss to the credit union, failure to maintain the necessary requirements for membership, insolvency or bankruptcy, theft or misconduct which creates a financial loss for the credit union, and physical assault or abuse, harassment, or multiple incidents of verbal abuse of another member of the credit unions. If a member engages in unacceptable conduct that poses an threat to any other member, interim or temporary suspensions of membership should be permitted.

3. How can the Board improve the FCU bylaws to facilitate the recruitment and development of directors?

HCUA recommends that NCUA codifies that board meetings may be conducted via virtual, remote, or technology-based means including, but not limited to, teleconference, videoconference, or internet-enabled closed group sessions. Conducting meetings via available means, including technology-enabled remote or virtual gatherings, reduces the burden of travel time, expense and lost productivity to other areas of a director's schedule.

4. How can the Board improve the FCU bylaws to encourage member attendance at annual and special meetings?

Encourage remote participation by explicitly permitting the utilization of participation via technological means to help increase attendance at annual and special meetings. Also, extended time to issue notice for meetings might permit greater participation.

As always, we appreciate the opportunity to review this issue. We will be happy to respond to any questions regarding these comments.

Sincerely,

A handwritten signature in black ink that reads "Bradley D. Douglas". The signature is written in a cursive style with a large, stylized initial 'B'.

Brad Douglas
President/CEO