



National Credit Union Administration
Office of General Counsel

BOARD ACTION MEMORANDUM

TO: NCUA Board **DATE:** December 15, 2020
FROM: Office of General Counsel **SUBJ:** 12 C.F.R. part 701,
Appendix B

ACTION REQUESTED: Board approval to issue the attached proposed rule revising the definition of service facility for multiple common bond (“MCB”) federal credit unions (“FCUs”) contained in the NCUA’s Chartering and Field of Membership Manual.

DATE ACTION REQUESTED: December 17, 2020.

OTHER OFFICES CONSULTED: None.

VIEWS OF OTHER OFFICES CONSULTED: N/A.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: Elizabeth Wirick, Senior Staff Attorney.

SUMMARY: The proposed rule would modernize requirements related to service facilities for MCB FCUs. The Board is proposing to include any shared branch, shared ATM, or shared electronic facility in the definition of “service facility” for a MCB FCU that participates in a shared branching network. The FCU need not be an owner of the shared branch network for the shared branch or shared ATM to be a service facility. These changes would apply to the definition of service facility both for additions of select groups to MCB FCUs and for expansions into underserved areas.

The Board is also seeking comments about whether it should further amend the definition of “service facility” to include an FCU’s interactive web site or mobile banking application.

RECOMMENDED ACTION: Recommend the Board approve publication of the proposed rule and request for comment.

ATTACHMENT: Proposed rule.