



BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: May 8, 2019

FROM: Office of Examination and Insurance; Office of General Counsel

SUBJ: Proposed Rule – Public Unit and Nonmember Shares

ACTION REQUESTED: Board approval to issue the attached proposed rule to amend the NCUA’s public unit and nonmember shares rule, § 701.32, to allow federal credit unions to receive a greater amount of public unit and nonmember shares.

DATE ACTION REQUESTED: May 23, 2019.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBER: Benjamin M. Litchfield, Staff Attorney.

SUMMARY: The proposed rule amends the NCUA’s public unit and nonmember shares rule to allow a federal credit union to receive public unit and nonmember shares up to 50 percent of the credit union’s unimpaired capital and surplus less any existing public unit and nonmember shares.

RECOMMENDED ACTION: Recommend the Board issue the proposed rule for a 60-day comment period beginning upon publication in the Federal Register.

ATTACHMENT: Proposed rule.