

NCUA-IR - 86-2 JOINT POLICY ON BASIC FINANCIAL SERVICES
11/86

NATIONAL CREDIT UNION ADMINISTRATION

12 C.F.R. CHAPTER VII

Joint Policy Statement on Basic Financial Services

Interpretive Ruling and Policy Statement Number 86-2

AGENCY: National Credit Union Administration (NCUA).

ACTION: Interpretive Ruling and Policy Statement Number 86-2.

SUMMARY: The NCUA Board has adopted as its statement of general policy for federally insured credit unions the Federal Financial Institutions Examination Council (FFIEC) policy entitled "Joint Policy Statement on Basic Financial Services."

EFFECTIVE DATE: November 4, 1986.

ADDRESS: National Credit Union Administration Board, 1776 G Street, NW, Washington, DC 20456.

FOR FURTHER INFORMATION CONTACT: Nicholas Veghts, Office of Examination and Insurance, at the above address, or telephone: (202) 357-1065.

SUPPLEMENTARY INFORMATION: At their October 2, 1986, meeting, the FFIEC approved a recommendation to the five regulatory financial agencies to adopt the Joint Policy Statement on Basic Financial Services. This Statement encourages efforts of trade associations and individual depository institutions toward the offering of basic financial services that would be accessible to low and moderate-income customers. It does not identify any particular accounts or services that institutions should offer. Instead, it identifies in broad terms the basic concepts that should be considered:

- A safe place to keep money
- A way to get cash; and
- A way to make third-party payments.

These programs could usefully:

1. Encourage members to offer and appropriately publicize low-cost basic financial services such as those listed above.
2. Survey the current availability of such services among member credit unions.
3. Make available to members not providing such services material reflecting the successful experiences of other organizations.

The Statement also states that any programs offered should be consistent with safe and sound business practices.

Dated this 4th day of November 1986

By the National Credit Union Administration Board

ROSEMARY BRADY
Secretary of the Board

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Joint Policy Statement on Basic Financial Services

NCUA wishes to encourage such efforts by trade associations and individual credit unions that promote the offering of basic financial services, consistent with safe and sound business practices. While the specific types of services will, of course, vary because of differences in local needs and in the characteristics of individual credit unions, we encourage efforts to meet certain minimum needs of all consumers, in particular:

- the need for a safe and accessible place to keep money;
- the need for a way to obtain cash (including, for example, the cashing of government checks);
- the need for a way to make third party payments.

We believe that industry trade associations have a key role to play in this effort, and are in a position to encourage a constructive response without the rigidities of legislation or regulation. We realize that some associations have such programs already underway.

WITHDRAWN