



For Details, Contact:
External Affairs
email: pacamail@ncua.gov
Fax: (703) 518-6409

National Credit Union
Administration
1775 Duke Street
Alexandria, VA 22314-3428
Phone: (703) 518-6330
Web Address: <http://www.ncua.gov/>

Media Advisory

FOR IMMEDIATE RELEASE

Board Member Gigi Hyland's Statement on Chartering and Field of Membership Amendments Considered at Today's Board Meeting

May 24, 2007, Alexandria, Va. – “I commend NCUA staff for its hard work on Interpretive Ruling and Policy Statement 07-1 (IRPS 07-1). Staff readily accepted the Board’s challenge at the March meeting to expeditiously clarify and update the agency’s community chartering requirements. The proposed IRPS provides clear guidance using objective, measurable standards on what constitutes a well-defined local community. I firmly believe that these proposed changes will result in a more objective application of the standards, particularly in community charter applications involving large multi-jurisdictional areas.

However, while I support issuance of this IRPS for public comment, I do not fully agree with extending the new process to applications for underserved areas. As a matter of policy, this Board was forced last year to limit the availability of underserved areas to only multiple-group federal credit unions. We have subsequently made it a priority to seek legislative relief so that all federal credit union charter types would be able to obtain an underserved area. We also have strongly encouraged credit unions to reach out to the underserved in any way possible. I believe that requiring a credit union to first show that an area is a well-defined local community and then to also show that it is underserved is not fully consistent with previously stated Board policy.”

Revised Chartering and Field of Membership Policy IRPS 07-1 is available online at http://www.ncua.gov/RegulationsOpinionsLaws/RecentFinalRegs/final_regs.html

The National Credit Union Administration is the independent federal agency that regulates, charters and supervises federal credit unions. NCUA, backed by the full faith and credit of the U.S. government, also operates the National Credit Union Share Insurance Fund (NCUSIF), insuring the deposits of nearly 85 million account holders in all federal credit unions and the majority of state-chartered credit unions.

