

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE:

FROM: Office of General Counsel

SUBJ: Final Rule, Part 742
Regulatory Flexibility Program

ACTION REQUESTED: Board approval of a final rule regarding the Regulatory Flexibility Program (RegFlex).

DATE ACTION REQUESTED: March 19, 2009.

OTHER OFFICES CONSULTED: Office of Examination and Insurance, Office of Corporate Credit Unions, Office of Small Credit Union Initiatives, and All Regional Directors.

VIEWS OF OTHER OFFICES CONSULTED: Concur.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: Frank Kressman, Staff Attorney, Office of General Counsel.

SUMMARY: NCUA is amending its RegFlex rule to provide additional flexibility to qualifying federal credit unions (FCUs) when acquiring unimproved land for future expansion. Currently, when an FCU acquires unimproved land for future expansion and does not fully occupy the completed premises within one year, it must partially occupy the completed premises within three years or obtain a waiver. The amendment increases the three years to six years for RegFlex FCUs without a waiver. NCUA also is making conforming amendments to its fixed asset rule to be consistent with the RegFlex changes.

RECOMMENDED ACTION: Recommend the Board issue the final rule.

ATTACHMENT: Final rule.