

## BOARD ACTION MEMORANDUM

**TO:** NCUA Board **DATE:** August 17, 2015  
**FROM:** Office of General Counsel **SUBJECT:** Part 747 – Final Rule  
Civil Monetary Penalties

**ACTION REQUESTED:** Board issuance of the Final Rule.

**DATE ACTION REQUESTED:** September 17, 2015.

**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 MEMBER:** Ian Marenga, Trial Attorney, OGC.

**SUMMARY:** The Final Rule would amend Part 747 of NCUA's regulations on civil monetary penalties (CMPs) to adjust the CMPs within NCUA's jurisdiction to account for inflation. This action, including the amount of the adjustment, is required under the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996. These laws require NCUA to review and adjust its CMPs for inflation at least once every four years and publish the adjusted CMPs in the Federal Register. While the law requires NCUA to adjust maximum CMP amounts, NCUA has never assessed a CMP at the maximum level. The attached analysis of NCUA's recent assessment of CMPs for late Call Reports provides context for NCUA's use of CMPs. Because this process is mandatory and the law gives agencies no discretion in calculating the adjustments, the Administrative Procedure Act allows NCUA to issue a final rule without public comment. NCUA and other financial institution regulatory agencies have made prior adjustments in the same manner.

**RECOMMENDED ACTION:** The Board issue the attached Final Rule.

**ATTACHMENTS:** Final Rule; Long-Term Trends, Late-Filing.