

## **BOARD ACTION MEMORANDUM**

**TO:** NCUA Board **DATE:** April 29, 2010  
**FROM:** Office of General Counsel;  
Office of Examination and Insurance **SUBJ:** Staff Briefing on  
S.A.F.E. Act rule-12 CFR Parts  
741 and 761

**ACTION REQUESTED:** Staff presentation on the interagency joint preamble and NCUA's final rule, 12 CFR parts 741 and 761, implementing the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (S.A.F.E. Act).

**DATE ACTION REQUESTED:** May 20, 2010.

**OTHER OFFICES CONSULTED:** None.

**BUDGET IMPACT, IF ANY:** None.

**SUBMITTED TO INSPECTOR GENERAL FOR REVIEW:** Yes.

**RESPONSIBLE STAFF MEMBERS:** Melinda Love, Director, and Judy Graham, Program Officer, Office of Examination and Insurance; and Regina Metz, Staff Attorney, Office of General Counsel.

**SUMMARY:** This is a joint rulemaking involving the NCUA, Board of Governors of the Federal Reserve (FRB), Farm Credit Administration (FCA), Federal Deposit Insurance Corporation (FDIC), Office of Comptroller of the Currency (OCC), and Office of Thrift Supervision (OTS) (the Agencies). The S.A.F.E. Act requires the Agencies to issue rules requiring mortgage loan originators at Agency-regulated institutions to register with a nationwide mortgage licensing system and registry. The NCUA Board approved the final rule by notation vote on April 10, 2010. As of April 28, 2010, the FDIC, OCC, FCA, FRB also have approved the final rule and approval by the OTS is pending.

NCUA's final rule will require credit union employees, including volunteers, who act as residential mortgage loan originators to register with the Nationwide Mortgage Licensing System (NMLS) and Registry, obtain a unique identifier, and maintain this registration. It also provides that credit unions must require their employees to comply with the S.A.F.E. Act's requirements and adopt and follow written policies and procedures designed to assure compliance.

NCUA's regulation contains additional requirements for non-federally insured credit unions that wish to participate in the federal registry. Those requirements, set forth in section 761.101(c)(3) on page 110 of the attached final rule, include that the appropriate SSA enter into a memorandum of understanding with NCUA and that the registry listing contain a clear statement that the credit union is not federally insured.

**ATTACHMENT:** Joint notice of final rule with other Agencies' rule text omitted.