

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: February 11, 2013

FROM: Office of General Counsel

SUBJ: Final Rule, definition of
"Rural District," §701.1

ACTION REQUESTED: Board approval of the attached final rule amending the definition of "rural district" to increase the potential population limit of some rural districts under certain circumstances.

DATE ACTION REQUESTED: February 21, 2013.

VIEWS OF OTHER OFFICES CONSULTED: Concur.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBER: Elizabeth Wirick, Staff Attorney, Office of General Counsel.

SUMMARY: The final rule amends the definition of "rural district" in NCUA's Chartering and Field of Membership Manual. The revised definition permits a geographic area to qualify as a rural district if, among other criteria, it has a total population that does not exceed the greater of 250,000 people or three percent of the population of the state in which the majority of the district is located. The current definition limits the rural district's population to 200,000, regardless of the population of the state containing the majority of the rural district.

RECOMMENDED ACTION: Recommend the Board issue the final rule.

ATTACHMENT: Final rule.