

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: March 19, 2015

FROM: Office of General Counsel

SUBJ: Proposed Rule –
Share Insurance – Part 745

ACTION REQUESTED: Board approval of the attached proposed rule regarding enhanced, pass-through share insurance for interest on lawyers trust accounts (IOLTAs) and other similar escrow accounts.

DATE ACTION REQUESTED: April 30, 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 MEMBERS: Frank Kressman, Associate General Counsel, Office of General Counsel.

SUMMARY: This proposed rule would amend NCUA's share insurance regulations to implement statutory amendments to the Federal Credit Union Act resulting from the recent enactment of the Credit Union Share Insurance Fund Parity Act (Insurance Parity Act). The statutory amendments require NCUA to provide enhanced, pass-through share insurance for IOLTAs and other similar escrow accounts. The Insurance Parity Act ensures that NCUA and the Federal Deposit Insurance Corporation insure IOLTAs and other similar escrow accounts in an equivalent manner.

RECOMMENDED ACTION: Recommend the Board approve the proposed rule with a 60-day comment period.

ATTACHMENT: Proposed rule.