BOARD ACTION MEMORANDUM

TO: NCUA Board
FROM: Office of General Counsel

DATE: July 22, 2010
SUBJ: Interim Final Rule – Part 701

ACTION REQUESTED: NCUA Board’s approval of interim final rule to clarify the low-income rule by amending the definition of “low-income members.” 12 C.F.R. §701.34.

DATE ACTION REQUESTED: July 29, 2010.

OTHER OFFICES CONSULTED: Office of Examination and Insurance, Office of Small Credit Union Initiatives.

VIEWS OF OFFICES CONSULTED: Concur.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

BUDGET IMPACT, IF ANY: None.

RESPONSIBLE STAFF MEMBERS: Sheila A. Albin, Associate General Counsel, Office of General Counsel.

SUMMARY: The NCUA is amending the definition of “low-income members” to clarify that, in comparing credit union data on member income with Census Bureau data to determine if a credit union qualifies as low-income, the comparison must be between like data categories. This amendment will clarify the regulatory text so it is consistent with the geo-coding software NCUA uses in making its determination.

RECOMMENDED ACTION: Recommend the Board issue the interim final rule.

ATTACHMENT: Interim final rule.