BOARD ACTION MEMORANDUM

TO: NCUA Board
FROM: Office of General Counsel

DATE: November 24, 2010
SUBJ: Final Rule – Section 701.34

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


OTHER OFFICES CONSULTED: Regional Offices, Office of Examination and Insurance and 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 MEMBER: Sheila A. Albin, Staff Attorney, 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 final rule.

ATTACHMENT: Final rule.