

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: October 25, 2016

FROM: Director Gail W. Laster
Office of Consumer Protection

SUBJ: Final Rule – Appendix B of Part
701, Chartering and Field of Membership
Manual

ACTION REQUESTED: NCUA Board approval of revisions to Appendix B of 12 CFR Part 701, Chartering and Field of Membership Manual.

BUDGET IMPACT, IF ANY: Minimal.

DATE ACTION REQUESTED: October 27, 2016.

OTHER OFFICES CONSULTED: Office of General Counsel.

VIEWS OF OTHER OFFICES CONSULTED: Concur.

RESPONSIBLE STAFF MEMBERS: Matthew Biliouris, Deputy Director, Robert Leonard, Director, Division of Consumer Access, and Rita Woods, Director, Division of Consumer Access South, Office of Consumer Protection; Senior Staff Attorney Steven Widerman, and Staff Attorney Marvin Shaw, Office of General Counsel.

SUMMARY: In November 2015, the NCUA Board issued a proposal to comprehensively amend NCUA's chartering and field of membership policies and procedures.

The amendments will implement changes in policy affecting: the definition of a local community, a rural district, and an underserved area; the expansion of options for a multiple common bond credit union to add potential members; the expansion of options available to single common bond credit unions based on a trade, industry or profession; and the process for applying to expand membership in a federal credit union.

The rule also implements technical changes to reflect the name change of the Office of Consumer Protection to the Office of Consumer Financial Protection and Access, and changes to its chartering and field of membership responsibilities to more comprehensively address the due process associated with the agency's decisions on charter amendment requests. This updated framework will make NCUA's rules more efficient and maximize access to federal credit union services to the extent permitted under the Federal Credit Union Act.

RECOMMENDED ACTION: NCUA Board approval of final changes to Appendix B, Chartering and Field of Membership Manual to Part 701 with an effective date of 60 days after publication in the Federal Register.

ATTACHMENT: Final rule.