



National Credit Union Administration

TO: NCUA Board

DATE: December 8, 2020

FROM: Office of General Counsel
Office of Examination and Insurance

SUBJ: Temporary final rule extension:
Temporary Regulatory Relief in
Response to COVID-19

ACTION REQUESTED: NCUA Board approval to issue the attached temporary final rule extension.

DATE ACTION REQUESTED: December 17, 2020.

OTHER OFFICES CONSULTED: N/A

VIEWS OF OTHER OFFICES CONSULTED: N/A

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: Victoria Nahrwold, Director, Division of Risk Management, Office of Examination and Insurance; Thomas Zells, Staff Attorney, Office of General Counsel.

SUMMARY: The NCUA Board (Board) is extending the effective date of its temporary final rule, which modified certain regulatory requirements to help ensure that federally insured credit unions (FICUs) remain operational and can properly conduct appropriate liquidity management to address economic conditions caused by the COVID-19 pandemic. Specifically, the temporary final rule issued by the Board in April 2020 temporarily raised the maximum aggregate amount of loan participations that a FICU may purchase from a single originating lender to the greater of \$5,000,000 or 200 percent of the FICU's net worth. The rule also temporarily suspended limitations on the eligible obligations that a federal credit union (FCU) may purchase and hold. In addition, given physical distancing practices necessitated by COVID-19, the rule also tolled the required timeframes for the occupancy or disposition of properties not being used for FCU business or that have been abandoned. Unless extended, each of these temporary modifications will expire on December 31, 2020. Due to the continued impact of COVID-19, the Board has decided it is necessary to extend the effective period of these temporary modifications until December 31, 2021.

RECOMMENDED ACTION: The NCUA Board approve the attached temporary final rule extension for publication in the *Federal Register* with an immediate effective date.

ATTACHMENT: Temporary final rule; extension.