



National Credit Union Administration

TO: NCUA Board

DATE: December 17, 2020

FROM: Office of Chief Financial Officer

SUBJ: Final Rule – Federal Credit Union Operating Fees

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

DATE ACTION REQUESTED: December 18, 2020.

OTHER OFFICES CONSULTED: E&I, OGC.

VIEWS OF OTHER OFFICES CONSULTED: Concur.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: James Holm, Supervisory Budget Analyst, Office of Chief Financial Officer; Ian Marena Associate General Counsel, and John Brolin, Senior Staff Attorney, Office of General Counsel.

SUMMARY: The final rule amends the NCUA’s regulation governing assessment of an annual operating fee to federal credit unions (FCUs). First, for purposes of calculating the annual operating fee, the final rule amends the current rule to exclude from total assets any loan an FCU reports under the Small Business Administration’s Paycheck Protection Program (PPP) or similar future programs the Board may decide to exclude. Second, the final rule deletes from the current regulation references to the Credit Union System Investment Program and the Credit Union Homeowners Affordability Relief Program, both of which no longer exist. Third, the final rule amends the period used for the calculation of an FCU’s total assets. Currently, total assets are calculated using the FCU’s December 31st Call Report of the preceding year. Under the final rule, total assets will be calculated as the average total assets reported on the FCU’s previous four Call Reports available at the time the NCUA Board approves the agency’s budget for the upcoming year. The final rule also makes some minor changes to terminology and organization of § 701.6.

RECOMMENDED ACTION: Board approval of the attached final rule, which will go into effect 30 days after the date of publication in the Federal Register.

ATTACHMENT: Final rule.