

## BOARD ACTION MEMORANDUM

**TO:** NCUA Board

**DATE:** July 22, 2010

**FROM:** Office of General Counsel

**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.