

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: December 17, 2012

FROM: Office of General Counsel

SUBJ: Final Rule – Low-Income
Credit Unions, §701.34

ACTION REQUESTED: Board approval to issue the attached final rule regarding low-income credit unions.

DATE ACTION REQUESTED: January 10, 2013.

OTHER OFFICES CONSULTED: Regions, OCP, E&I, OSCUI.

VIEWS OF OTHER OFFICES CONSULTED: Pending.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: Pamela Yu, Staff Attorney, Office of General Counsel.

SUMMARY: The final rule amends the low-income credit unions regulation by extending the time period in which a federal credit union (FCU) may accept a low-income designation. Under the current rule, an FCU that receives notice from NCUA of its eligibility for a low-income designation has 30 days to notify NCUA in writing that it wishes to accept the designation. The final rule extends an FCU's response time from 30 days to 90 days to make certain an FCU has adequate time to respond. The final rule also makes minor, nonsubstantive technical amendments to NCUA's requirements for insurance regulation to reflect current agency practice.

RECOMMENDED ACTION: Board approval of the attached final rule.

ATTACHMENT: Final Rule.