



# Federal Register

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**Thursday,  
November 30, 2000**

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**Part LIX**

**National Credit  
Union  
Administration**

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**Semiannual Regulatory Agenda**

**NATIONAL CREDIT UNION ADMINISTRATION (NCUA)**

**NATIONAL CREDIT UNION ADMINISTRATION**

**12 CFR Ch. VII**

**Semiannual Regulatory Agenda**

**AGENCY:** National Credit Union Administration (NCUA).

**ACTION:** Semiannual regulatory agenda.

**SUMMARY:** Pursuant to its ongoing policy of reviewing regulations, NCUA is publishing a list of current and projected rulemakings, reviews of existing regulations, and completed actions as of July 31, 2000, to be included in the Unified Agenda of Federal Regulatory and Deregulatory Actions.

**DATES:** This information is current as of July 31, 2000.

**ADDRESSES:** National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314-3428.

**FOR FURTHER INFORMATION CONTACT:** For each regulation listed, the person(s) named in the listing, at the above address, unless otherwise noted, or listed telephone number.

**SUPPLEMENTARY INFORMATION:** The purpose of this agenda is to enable credit unions and the public to follow regulatory development and review at NCUA, and participate in that process more effectively. Entries for the Agenda appear in one of five possible categories: prerule stage; proposed rule stage; final rule stage; long-term actions; or completed actions.

The agenda is published pursuant to NCUA Interpretive Ruling and Policy Statement Number 87-2, "Developing and Reviewing Government Regulations," 54 FR 35231, (September 18, 1987), which sets out NCUA's policy

and procedures for developing and reviewing its regulations. NCUA's policy is to ensure that its regulations impose only minimum required burdens on credit unions, consumers, and the public; are appropriate for the size of the financial institutions it regulates; are issued only after full public participation; and are clear and understandable. Further, NCUA undertakes to review all regulations every three years to clarify and simplify existing regulations and eliminate redundant and unnecessary provisions.

Executive Order 12866, signed by President Clinton on September 30, 1993, requires independent executive agencies such as NCUA to publish a regulatory agenda.

Approved by the NCUA Board on August 3, 2000.

**Becky Baker,**  
*Secretary of the Board.*

**National Credit Union Administration—Prerule Stage**

Sequence Number	Title	Regulation Identification Number
4708	Corporate Credit Unions .....	3133-AC28
4709	Requirements for Insurance .....	3133-AC33

**National Credit Union Administration—Proposed Rule Stage**

Sequence Number	Title	Regulation Identification Number
4710	Federal Credit Union Insurance and Group Purchasing Activities .....	3133-AC07
4711	Credit Practices .....	3133-AC34
4712	Regulatory Flexibility and Exemption Program .....	3133-AC38
4713	Records Preservation Program .....	3133-AC41

**National Credit Union Administration—Final Rule Stage**

Sequence Number	Title	Regulation Identification Number
4714	Federal Credit Union Chartering, Field of Membership Modifications and Conversions .....	3133-AC27
4715	Exemptions (Privacy Act) .....	3133-AC42

**National Credit Union Administration—Long-Term Actions**

Sequence Number	Title	Regulation Identification Number
4716	Credit Practices .....	3133-AC43

**NCUA**

National Credit Union Administration—Completed Actions

Sequence Number	Title	Regulation Identification Number
4717	Leasing .....	3133-AC13
4718	Share Insurance and Appendix .....	3133-AC23
4719	Prompt Corrective Action; Risk-Based Net Worth Requirement .....	3133-AC30
4720	Involuntary Liquidation of Federal Credit Union; Adjudication of Creditor Claims Involving Federally Insured Credit Unions in Liquidation .....	3133-AC35
4721	Secondary Capital .....	3133-AC36
4722	Truth in Savings .....	3133-AC37
4723	Privacy of Consumer Financial Information .....	3133-AC39

**National Credit Union Administration (NCUA)**

**Prerule Stage**

**4708. CORPORATE CREDIT UNIONS**

**Priority:** Substantive, Nonsignificant.  
Major status under 5 USC 801 is undetermined.

**Legal Authority:** 12 USC 1762; 12 USC 1766(a); 12 USC 1781; 12 USC 1789

**CFR Citation:** 12 CFR 704

**Legal Deadline:** None

**Abstract:** NCUA requests public comment on revisions to the rule governing corporate credit unions. As part of its regulatory review process, NCUA has identified provisions for further clarification or revision. Comments on these issues will assist NCUA in its regulatory review process.

**Timetable:**

Action	Date	FR Cite
ANPRM	07/28/99	64 FR 40787
ANPRM Comment Period End	11/26/99	64 FR 40787
ANPRM	12/00/00	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Mary F. Rupp, Staff Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428  
Phone: 703 518-6540  
Email: maryr@ncua.gov

**RIN:** 3133-AC28

adopt a regulation that would restrict the insurance coverage for State-chartered credit unions that open branches outside the United States.

**Timetable:**

Action	Date	FR Cite
ANPRM	10/00/00	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Agency Contact:** Michael J. McKenna, Senior Staff Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428  
Phone: 703 518-6562  
Email: mmckenna@ncua.gov

**RIN:** 3133-AC33

**4709. REQUIREMENTS FOR INSURANCE**

**Priority:** Substantive, Nonsignificant  
**Legal Authority:** 12 USC 1756-57; 12 USC 1757A; 12 USC 1766; 12 USC 1785; 12 USC 1781

**CFR Citation:** 12 CFR 741

**Legal Deadline:** None

**Abstract:** NCUA is soliciting public comment on whether NCUA should

**National Credit Union Administration (NCUA)**

**Proposed Rule Stage**

**4710. FEDERAL CREDIT UNION INSURANCE AND GROUP PURCHASING ACTIVITIES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1757(16); 12 USC 1766; 12 USC 1789

**CFR Citation:** 12 CFR 721

**Legal Deadline:** None

**Abstract:** The regulation will set forth the rules governing Federal credit

union insurance and incidental activities.

**Timetable:**

Action	Date	FR Cite
ANPRM	11/26/99	64 FR 66413
NPRM	11/00/00	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

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Phone: 703 518-6562  
Email: mmckenna@ncua.gov

**RIN:** 3133-AC07

## NCUA

## Proposed Rule Stage

**4711. CREDIT PRACTICES****Priority:** Substantive, Nonsignificant**Legal Authority:** 15 USC 57a; 15 USC 1681b**CFR Citation:** 12 CFR 706**Legal Deadline:** None**Abstract:** NCUA will promulgate a regulation under the Fair Credit Reporting Act that addresses the sharing of opt out information between Federal credit unions and their affiliates.**Timetable:**

Action	Date	FR Cite
NPRM	10/00/00	
NPRM Comment Period End	12/00/00	
Final Rule	01/00/01	

**Regulatory Flexibility Analysis****Required:** No**Government Levels Affected:** None**Agency Contact:** Chrisanthy J. Loizos, Staff Attorney, National Credit Union Administration, 1775 Duke Street, Alexandria, MD 20785  
Phone: 703 518-6567  
Fax: 703 518-6569  
Email: cloizos@ncua.gov**RIN:** 3133-AC34**4712. REGULATORY FLEXIBILITY AND EXEMPTION PROGRAM****Priority:** Substantive, Nonsignificant**Reinventing Government:** This rulemaking is part of the Reinventing

Government effort. It will revise text in the CFR to reduce burden or duplication, or streamline requirements.

**Legal Authority:** 12 USC 1757; 12 USC 1756; 12 USC 1766**CFR Citation:** 12 CFR 742**Legal Deadline:** None**Abstract:** NCUA solicited public comment on whether NCUA should adopt a regulation that would permit well-capitalized credit unions to be exempt from certain NCUA regulations, in whole or in part. A proposed rule is scheduled for October 2000.**Timetable:**

Action	Date	FR Cite
ANPRM	03/22/00	65 FR 15275
ANPRM Comment Period End	05/22/00	
NPRM	11/00/00	
NPRM Comment Period End	01/00/01	
Final Action	06/00/01	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** None**Agency Contact:** Michael J. McKenna, Senior Staff Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428  
Phone: 703 518-6562  
Email: mmckenna@ncua.gov**RIN:** 3133-AC38**4713. RECORDS PRESERVATION PROGRAM****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**Unfunded Mandates:** Undetermined**Legal Authority:** 12 USC 1766**CFR Citation:** 12 CFR 749**Legal Deadline:** None**Abstract:** Review and update of provisions regarding record retention requirements and electronic storage.**Timetable:**

Action	Date	FR Cite
NPRM	02/00/01	

**Regulatory Flexibility Analysis****Required:** Undetermined**Government Levels Affected:** Undetermined**Federalism:** Undetermined**Agency Contact:** Dianne M. Salva, Staff Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428  
Phone: 703 518-6540  
Email: dsalva@ncua.gov**RIN:** 3133-AC41

## National Credit Union Administration (NCUA)

## Final Rule Stage

**4714. FEDERAL CREDIT UNION CHARTERING, FIELD OF MEMBERSHIP MODIFICATIONS AND CONVERSIONS****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**Legal Authority:** 12 USC 1752(5); 12 USC 1755 to 1757; 12 USC 1759; 12 USC 1761b-c; 12 USC 1766 to 1767;

...

**CFR Citation:** 12 CFR 701.1**Legal Deadline:** None**Abstract:** The regulation sets forth all the requirements for chartering and field of membership. The NCUA Board issued a proposal that would require

Federal credit unions to have a plan that sets forth the credit unions' efforts to serve low-income members. The NCUA Board also issued proposed amendments to clarify existing policy and broaden chartering policies.

**Timetable:**

Action	Date	FR Cite
NPRM	06/06/00	65 FR 37065
Final Rule	10/00/00	

**Regulatory Flexibility Analysis****Required:** No**Small Entities Affected:** No**Government Levels Affected:** None**Agency Contact:** Michael J. McKenna, Senior Staff Attorney, Office of GeneralCounsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428  
Phone: 703 518-6562  
Email: mmckenna@ncua.gov**RIN:** 3133-AC27**4715. EXEMPTIONS (PRIVACY ACT)****Priority:** Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.**Unfunded Mandates:** Undetermined**Legal Authority:** 12 USC 1757**CFR Citation:** 12 CFR 792.66**Legal Deadline:** None

## NCUA

## Final Rule Stage

**Abstract:** Review and modify systems of records to reflect agency's recordkeeping preferences.

**Timetable:**

Action	Date	FR Cite
Final Rule	10/00/00	

**Regulatory Flexibility Analysis Required:** Undetermined

**Government Levels Affected:** Undetermined

**Federalism:** Undetermined

**Agency Contact:** Dianne M. Salva, Staff Attorney, Office of General

Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428  
Phone: 703 518-6540  
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**RIN:** 3133-AC42

## National Credit Union Administration (NCUA)

## Long-Term Actions

**4716. • CREDIT PRACTICES**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 15 USC 57a, 1681b

**CFR Citation:** 12 CFR 706

**Legal Deadline:** None

**Abstract:** Along with the bank regulatory agencies, NCUA intends to issue a very broad advance notice of

proposed rulemaking seeking comment on aspects of the Fair Credit Reporting Act that require clarification through regulations.

**Timetable:** Next Action Undetermined

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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Email: cloizos@ncua.gov

**RIN:** 3133-AC43

## National Credit Union Administration (NCUA)

## Completed Actions

**4717. LEASING**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1756; 12 USC 1757; 12 USC 1766; 12 USC 1785; 12 USC 1789

**CFR Citation:** 12 CFR 714

**Legal Deadline:** None

**Abstract:** The final leasing rule updates and redesignates NCUA's longstanding policy statement on leasing, Interpretive Ruling and Policy Statement 83-3, as an NCUA regulation. Interpretive Ruling and Policy Statement 83-3 authorizes Federal credit unions to engage in either direct or indirect leasing and either open-end or closed-end leasing of personal property to their members if such leasing arrangements are the functional equivalent of secured loans. Also, the final regulation formalizes NCUA's position, stated in legal opinion letters, that a Federal credit union does not have to own the lease property in indirect leasing if certain requirements are satisfied.

**Timetable:**

Action	Date	FR Cite
NPRM	10/29/98	63 FR 57950
NPRM Comment Period End	01/27/99	63 FR 57950
Second NPRM	10/15/99	64 FR 55866

Action	Date	FR Cite
Second NPRM Comment Period End	12/14/99	64 FR 55866
Final Action	05/31/00	65 FR 34581

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

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Email: ogc@ncua.gov

**RIN:** 3133-AC13

**4718. SHARE INSURANCE AND APPENDIX**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1766; 12 USC 1781; 12 USC 1789

**CFR Citation:** 12 CFR 745

**Legal Deadline:** None

**Abstract:** This regulation describes the insurance coverage of various types of member accounts. NCUA simplified this regulation to increase members' understanding of their insurance coverage.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	04/22/99	64 FR 19685
Interim Final Rule Effective	04/22/99	64 FR 19685
Interim Final Rule Comment Period End	07/15/99	
Final Action	06/01/00	65 FR 34921

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Frank S. Kressman, Staff Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428  
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Email: fkressman@ncua.gov

**RIN:** 3133-AC23

**4719. PROMPT CORRECTIVE ACTION; RISK-BASED NET WORTH REQUIREMENT**

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1790d

**CFR Citation:** 12 CFR 702.103 to 702.108

**Legal Deadline:** Final, Statutory, August 7, 2000, Imposed by Credit

## NCUA

## Completed Actions

Union Membership Access Act  
301(d)(2)(B).

**Abstract:** In 1998, the Federal Credit Union Act was amended to require NCUA to adopt a system of prompt corrective action for federally insured credit unions. As a separate component of that system, NCUA is required to define credit unions that are "complex" by reason of their portfolio of assets and liabilities and to develop a risk-based net worth requirement to apply to such credit unions in the "well capitalized" or "adequately capitalized" statutory net worth categories. The NCUA Board issued a proposed rule consisting of a three-step process for defining a "complex" credit union and for determining its risk-based net worth requirement under either of two methods. As revised to reflect public comments and to incorporate other improvements, the final rule narrows the definition of "complex" by minimum asset size and minimum risk-based net worth requirement; modifies the composition of certain risk portfolios; adjusts certain corresponding thresholds and risk weightings; and adds a risk mitigation credit.

**Timetable:**

Action	Date	FR Cite
NPRM	02/03/00	65 FR 8597
Final Action	07/13/00	65 FR 44950
Correction	09/14/00	65 FR 55439
Final Action Effective	01/01/01	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Steven W. Widerman, Trial Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314  
Phone: 703 518-6557  
Email: widerman@ncua.gov

**RIN:** 3133-AC30

#### 4720. INVOLUNTARY LIQUIDATION OF FEDERAL CREDIT UNION; ADJUDICATION OF CREDITOR CLAIMS INVOLVING FEDERALLY INSURED CREDIT UNIONS IN LIQUIDATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1757; 12 USC 1766; 12 USC 1786(h); 12 USC 1787 to 1789a

**CFR Citation:** 12 CFR 709.10; 12 CFR 709.11

**Legal Deadline:** None

**Abstract:** NCUA is issuing a regulation on the treatment of financial assets transferred in a securitization or participation when the NCUA is acting as conservator or liquidating agent. The regulation will also address the treatment of public deposits that were not collateralized contemporaneously with the execution of the agreement for public deposits.

**Timetable:**

Action	Date	FR Cite
NPRM	03/02/00	65 FR 11250
NPRM Comment Period End	04/03/00	
Final Rule	09/14/00	65 FR 55439
Final Rule Effective	10/16/00	

**Regulatory Flexibility Analysis**

**Required:** No

**Small Entities Affected:** No

**Government Levels Affected:** None

**Agency Contact:** Chrisanthy J. Loizos, Staff Attorney, National Credit Union Administration, 1775 Duke Street, Alexandria, MD 20785  
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**RIN:** 3133-AC35

#### 4721. SECONDARY CAPITAL

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 1752(5); 12 USC 1755 to 1757; 12 USC 1759; 12 USC 1761a-b; 12 USC 1766 to 1767; ...

**CFR Citation:** 12 CFR 701.34

**Legal Deadline:** None

**Abstract:** This rule is a technical amendment to the secondary capital rule which gives NCUA the discretion to restrict credit unions who accept secondary capital investments from paying interest on those investments under certain circumstances. The rule change is consistent with the Prompt Corrective Action rules.

**Timetable:**

Action	Date	FR Cite
Final Rule	04/20/00	65 FR 21129
Final Rule Effective	08/07/00	

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Frank S. Kressman, Staff Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428  
Phone: 703 518-6558  
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**RIN:** 3133-AC36

#### 4722. TRUTH IN SAVINGS

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 4311

**CFR Citation:** 12 CFR 707

**Legal Deadline:** None

**Abstract:** NCUA amended its regulations implementing the Truth in Savings Act (TISA). This final rule allows credit unions to deliver in electronic form periodic statement disclosures required by NCUA's regulations if the member agrees to this form of delivery.

**Timetable:**

Action	Date	FR Cite
Interim Final Rule	11/26/99	64 FR 66355
Interim Final Rule Comment Period End	01/25/00	64 FR 66355
Final Rule	04/20/00	65 FR 21131

**Regulatory Flexibility Analysis**

**Required:** No

**Government Levels Affected:** None

**Agency Contact:** Frank S. Kressman, Staff Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428  
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Email: fkressman@ncua.gov

**RIN:** 3133-AC37

#### 4723. PRIVACY OF CONSUMER FINANCIAL INFORMATION

**Priority:** Substantive, Nonsignificant

**Legal Authority:** 12 USC 6801 et seq; 12 USC 1751 et seq

**CFR Citation:** 12 CFR 716; 12 CFR 741.220

**Legal Deadline:** Final, Statutory, May 12, 2000, Deadline under Gramm-Leach-Bliley Act.

**Abstract:** The final rule requires credit unions to have a privacy policy and provide certain disclosures and notices to individuals about whom credit unions collect nonpublic personal

## NCUA

## Completed Actions

information. It also restricts credit unions' ability to disclose nonpublic personal information, including giving individuals in some cases an opportunity to opt out of the disclosure.

**Timetable:**

Action	Date	FR Cite
NPRM	03/01/00	65 FR 10988

Action	Date	FR Cite
NPRM Comment Period End	03/31/00	65 FR 10988
Final Action	05/18/00	65 FR 31722
Final Action Amended	06/12/00	65 FR 36782
Final Action Effective	11/13/00	

**Regulatory Flexibility Analysis****Required:** Yes**Small Entities Affected:** Organizations**Government Levels Affected:** None

**Agency Contact:** Regina M. Metz, Staff Attorney, Office of General Counsel, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314

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**RIN:** 3133-AC39

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