

## BOARD ACTION MEMORANDUM

**TO:** NCUA Board

**DATE:** August 26, 2008

**FROM:** Office of General Counsel

**SUBJ:** Proposed Rule, Part 742  
Regulatory Flexibility Program

**ACTION REQUESTED:** Board approval of a proposed rule regarding the Regulatory Flexibility Program (RegFlex).

**DATE ACTION REQUESTED:** September 25, 2008.

**OTHER OFFICES CONSULTED:** Office of Examination and Insurance, Office of Corporate Credit Unions, and All Regional Directors.

**VIEWS OF OTHER OFFICES CONSULTED:** Concur.

**BUDGET IMPACT, IF ANY:** None.

**SUBMITTED TO INSPECTOR GENERAL FOR REVIEW:** Yes.

**RESPONSIBLE STAFF MEMBERS:** Frank Kressman, Staff Attorney, Office of General Counsel.

**SUMMARY:** NCUA proposes to amend its RegFlex rule to provide additional flexibility to qualifying federal credit unions (FCUs) when acquiring unimproved land for future expansion. Currently, when an FCU acquires unimproved land for future expansion and does not fully occupy the completed premises within one year, it must partially occupy the completed premises within three years or obtain a waiver. The proposed amendment would increase the three years to six years for RegFlex FCUs without a waiver. NCUA also proposes to make conforming amendments to its fixed asset rule to be consistent with the RegFlex changes.

**RECOMMENDED ACTION:** Recommend the Board issue the proposed rule.

**ATTACHMENT:** Proposed rule.