



Regulatory Comment: Summary and Feedback Request

NCUA: RFC on Annual Regulatory Review

THE ISSUE:

The NCUA reviews all of its existing regulations every three years. Each year, the agency's Office of General Counsel (OGC) reviews one-third of NCUA's regulations. The [2024 Regulatory Review](#) includes Parts 748 – 797. The public is invited to provide input on any or all of the parts and sections up for review.

IMPACT TO CREDIT UNIONS:

A number of the parts up for review have a direct impact on credit unions. For example, Part 748 includes the agency's regulations related to the Bank Secrecy Act and reporting of cyber incidents, and Part 749 provides records preservation rules that apply to all federally insured credit unions.

KEY POINTS:

- The NCUA's OGC solicits input on a third of the agency's regulations on a rolling basis. This year's review includes Parts 748 – 797.
- Public comments on specific issues within any one of these parts (such as the definition of "benefit plan" in § 750.1(a) is overly broad) or general concerns (such as Part 748 continues to be extremely burdensome) are helpful. Note that not all of the parts up for review impact credit union operations, such as several that apply to administration of agency staff.

ACTION NEEDED: Deadlines and contacts

Please use the comment link below to respond to America's Credit Unions' survey regarding the OGC's *Annual Regulatory Review*. This will help shape the discussion and better address your needs in our comment letter.

- Comments due to America's Credit Unions: June 10, 2024 —[Submit here](#)
- Comments due to NCUA by June 28, 2024
- Questions? Contact [Luke Martone](#), Senior Director of Advocacy & Counsel
- Agency contact: [Office of General Counsel](#)

QUESTIONS TO CONSIDER:

- 1) Do you have any general or specific concerns or suggestions regarding any of the regulatory requirements included in any of the parts up for review this year?
- 2) Please share any other thoughts or questions that might be relevant for purposes of America's Credit Unions' comment letter on this review.

ANALYSIS:

2024 Regulatory Review

This year's Regulatory Review includes Parts 748 – 797. Below is a brief description of most of the parts up for review.

- *Part 748 – Security Program, Suspicious Transactions, Catastrophic Acts, Cyber Incidents, and Bank Secrecy Act Compliance*

This part contains NCUA's rules and policies for credit union security programs, how and when to file reports such as cyber incident or suspicious activity reports, and procedures

for monitoring Bank Secrecy Act (BSA) compliance. There are also two appendices to Part 748. The first includes guidelines for safeguarding member information and the second provides guidance for response programs for unauthorized access to member information and member notice.

- *Part 749 – Records Preservation Program and Appendices – Record Retention Guidelines; Catastrophic Act Preparedness Guidelines*

This part describes the obligations for credit unions to maintain a records preservation program to identify, sort and reconstruct vital records in the event that the credit union's records are destroyed and provides recommendations for restoring vital member services.

One of the appendices has record retention guidelines which includes a very brief section on the minimum retention times. Another appendix includes guidance for developing a program for responding to a catastrophic act to ensure duplicate vital records can be used for restoration of vital member services.

Note that concurrent to this RFC, the NCUA is soliciting feedback through an advance notice of proposed rulemaking on potential updates to this part.

- *Part 750 – Golden Parachute and Indemnification Payments*

This part limits and prohibits the ability, in certain circumstances, of federally insured credit unions to enter into contracts to pay and to make golden parachute and indemnification payments to institution affiliated parties. This part also includes filing instructions and an appeal process for those credit unions that would like to make excess nondiscriminatory severance plan payments and golden parachute payments.

- *Part 760 – Loans in Areas Having Special Flood Hazards*

This part applies to loans secured by buildings or mobile homes located or to be located in areas determined by the Director of FEMA to have special flood hazards. Part 760.6 and 760.8 also apply to loans secured by buildings or mobile home, regardless of location.

- *Part 791 – Rules of NCUA Board Procedure; Promulgation of NCUA Rules and Regulations; Public Observation of NCUA Board Meetings*

This part provides the rules for NCUA Board procedure including the number of votes required for board action, voting by proxy, methods of acting, scheduling of board meetings, and subject matter of meetings. The part also provides for promulgation of NCUA rules and regulations as well as public observation of NCUA Board meetings under the Sunshine Act including exemptions and announcement of public meetings.

- *Part 792 – Requests for Information Under the Freedom of Information Act and Privacy Act, and by Subpoena; Security Procedures for Classified Information*

This part includes four subparts. Subpart A describes the procedures you must follow to obtain records from NCUA under the Freedom of Information Act (FOIA). Subpart C prohibits the release of nonpublic records or the appearance of an NCUA employee to testify in legal proceedings except in certain circumstances. Subpart D details the security procedures for classified information. Subpart E governs requests made of NCUA under the Privacy Act.