

Member Business Loans (MBLs) Rulemaking

Agenda

For April 26, 2016 from 1:30 pm to 3:00 pm PDT

Stakeholders may attend in person at Department of Financial Institutions (DFI) building, 150 Israel Road, Tumwater, WA or

You can attend by teleconference; dial in 1-877-885-3221; conference ID 5705532#.

Note: If attending in-person, please arrive early so you can check in at DFI front desk and be escorted to conference room #319.

Topic	Leader	Estimated Time
Welcome & introductions by DFI <ul style="list-style-type: none">Linda Jekel, Director of Credit UnionsAllison Kohlhorst, Management Analyst 4Catherine Mele-Hetter, DFI Policy DirectorJoe Vincent, DFI Director of Regulatory and Legal Affairs	Linda Jekel	1:30 pm to 1:40 pm
Roll call of credit unions and other stakeholders	Allison Kohlhorst	1:40 pm to 1:45 pm
Rulemaking process (in general): <ul style="list-style-type: none">Filed CR-101 with notice of intent.Stakeholder meetings & comments.CR-102 hearing.Consideration of all comments.If determined to finalize amended rule, file CR-103.Amended rule becomes effective 31 days after filing CR-103. Also, see http://www.oria.wa.gov/site/alias_oria/448/default.aspx	Catherine Mele-Hetter	1:45 pm to 2:00 pm
Process for this rulemaking: <ul style="list-style-type: none">Significant documents will be published on DCU rule-making page (including all written comments and draft amendments to state rule), see http://www.dfi.wa.gov/rulemaking/member-business-loansBulletin B-16-06 has tentative scheduled dates, see http://www.dfi.wa.gov/sites/default/files/credit-unions/bulletins/B-16-06.pdfScheduled meetings will compare certain sections of revised NCUA MBL rule to existing state MBL rule.You are encouraged to put your comments in writing.NCUA Region 5 will be consulted before filing CR-103.	Linda Jekel	2:00 to 2:15 pm

Topic	Leader	Estimated Time
<p>Background of state MBL rule:</p> <ul style="list-style-type: none"> • State MBL rule since 1989. • Current MBL rule effective since May 2001, Chapter 208-460 WAC, see http://www.dfi.wa.gov/documents/rulemaking/credit-unions/mb/current-state-mbl-rule.pdf . • Time to modernize state MBL rule in compliance with 12 C.F.R.723.10 to keep state and federal credit union charters competitive. <p>Background of federally insured MBL Rule:</p> <ul style="list-style-type: none"> • Prior federal MBL rule was in 1999¹. • Current federally insured MBL Rule, see 12 C.F.R. 723 (2015)². • Revised NCUA MBL rule (2016)³, see https://www.ncua.gov/regulation-supervision/Documents/Regulations/FIR2016218member-business-loans.pdf . Note: Revised NCUA MBL rule becomes effective on 1-1-2017. • NCUA amended from prescriptive to principle-based MBL rule. 	Linda Jekel	2:15 to 2:30 pm
Open forum for comments	Linda Jekel	2:30 pm to 2:55 pm
<p>Adjournment and reminder about next meeting</p> <ul style="list-style-type: none"> • Next meeting is changed from May 19 to May 20 from 1:30 pm to 3:00 pm. • May 20 discussion will compare the revised NCUA Rule 723.4 to WAC 208-460-050. 	Linda Jekel	2:55 pm to 3:00 pm

Notes:

A. We will be talking about two NCUA MBL rules: 1) amended in 2015 and 2) amended in 2016 (See footnotes 1 & 2 below).

B. Brief minutes will be taken and published after each meeting; only the CR-102 hearing will be recorded and published.

C. If you would like to be notified when a new document is added to the MBL Rulemaking page, sign up for email alerts on DFI's web site.

D. If you have any questions, please contact Linda Jekel, Director of Credit Unions at Linda.Jekel@dfi.wa.gov or (360) 902-8778.

¹ 64 Federal Register May 27, 1999.

² Amendments published at 80 Federal Register 66723, October 29, 2015.

³ Amendments published at 81 Federal Register 13554, March 14, 2016.