

National Credit Union Administration
SUPPORTING STATEMENT

Federal Credit Union Bylaws
(Appendix A to Part 701)
OMB No. 3133-0052

A. JUSTIFICATION

1. Circumstances that make the collection of information necessary.

Section 108 of the Federal Credit Union (FCU) Act (12 U.S.C. 1758) requires the National Credit Union Administration (NCUA) Board to prepare bylaws before an FCU's charter is complete. The form bylaws are established to simplify the organization of a FCU and establish uniformity regarding FCU operations and member rights. The NCUA Board adopted the Bylaws and incorporated them into NCUA's regulations at 12 CFR 701.2 and as Appendix A to Part 701, in 2007.

2. Purpose and use of the information collection.

The bylaws address a broad range of matters concerning: an FCU's organization and governance; the FCU's relationship to members; and the procedures and rules an FCU follows. The FCU uses the information it collects and maintains pursuant to the bylaws in its operations and to provide services to its members. The NCUA uses the information both to regulate FCUs to protect consumers and monitor their safety and soundness to protect the National Credit Union Share Insurance Fund.

3. Use of information technology.

FCUs use available information technology to retain records and to provide records to NCUA electronically.

4. Duplication of information.

The bylaws supplement broad provisions of: an FCU's charter, which establishes an FCU's existence; the FCU Act, which establishes FCU powers; and other NCUA regulations, which implement the FCU Act. The bylaws' information collection requirements supplement the ones in these aforementioned provisions, but are not duplicated anywhere.

5. Efforts to reduce burden on small entities.

There is no impact on small entities.

6. Consequences of not conducting the information collection.

As a legal matter, an FCU's bylaws must conform to and cannot be inconsistent with any provision of its charter, the FCU Act, NCUA regulations, or other laws or regulations applicable to the FCU's operations.

7. Inconsistencies with guidelines in 5 CFR 1320.5(d)(2).

There are no special circumstances. This collection is consistent with the guidelines in 5 CFR 1320.5(d)(2).

8. Efforts to consult with persons outside the agency.

A 60-day notice for this information collection was published in the *Federal Register* on October 26, 2022, at 87 FR 64817, soliciting comments from the public. No public comments were received in response to this notice.

9. Payment or gift to respondents.

There is no intent by NCUA to provide any payment or gift to respondents.

10. Assurance of confidentiality.

There is no assurance of confidentiality other than that provided by law.

11. Questions of a sensitive nature.

These are recordkeeping and disclosure requirement. No personally identifiable information (PII) is collected.

12. Burden of information collection.

As a preliminary matter, those persons choosing to organize a new FCU must comply with certain information collection requirements upon starting the FCU and first adopting these bylaws. Over the past three years, organizers have established an average of approximately three new FCUs each year. We estimate each new FCU must spend approximately 20 hours to initially comply with the bylaws' information collection requirements, for a total annual collection of 60 hours.

For current FCUs, it has been a usual and customary business practice, since their initial charter dates, to collect and maintain any information as specified the bylaws. To determine the current annual burden hours for this collection, NCUA staff reviewed each Article of the FCU Bylaws and have identified the following articles as containing information collection requirements.

Federal Credit Unions are required to post annual meeting notices in a conspicuous place and in the FCU's physical location and on its website, publicize the call for nominations

to all members, and post this information on FCU website along with the bylaws and any adopting amendments to their website, if applicable.

Article	Information Collection	Type of Burden	# Respondents	Frequency	Total Annual Responses	Hours per Response	Total Annual Burden
Introduction: Bylaw amendments	Newly chartered FCU Bylaws collection requirements (adopt amended bylaws must file with CURE)	Reporting	3	1	3	20.00	60.00
Article II. Qualifications for Membership	Membership applications	Record-keeping	3,335	333	1,110,555	0.25	277,638.75
	Membership denial [All FCUs deny one member per year].	Record-keeping	3,335	0.25	834	0.25	208.44
Article IV. Meetings of Members	Notices related to member meetings	Disclosure	3,335	1	3,335	1.00	3,335.00
	All Posting notices related to member meetings	Disclosure	3,335	1	3,335	0.17	555.83
	Additional Posting notices related to member meetings on Website	Disclosure	3,335	1	3,235	0.08	269.58
Article V. Elections	iv. Secret Ballots: Establish an election process that assures members their votes remain confidential and secret.	Record-keeping	3,335	1	3,335	0.17	555.83
	Collecting and maintaining information for FCU elections	Record-keeping	3,335	1	3,335	8.00	26,680.00
	x. Nomination procedures: The nominating committee must widely publicize the call for nominations to all members by any medium.	Disclosure	3,335	1	3,335	0.50	1,667.50
Article VI. Board of Directors	Board meeting notices	Disclosure	3,335	1	3,335	1.00	3,335.00
Article VII. Board Officers, Management Officials and Executive Committee	ii. Publicize the name of the committee members of each FCU.	Disclosure	3,335	1	3,335	0.50	1,667.50
	Sec. 6(c) - post copy of financial statement in a conspicuous place in the office of the CU.	Disclosure	3,335	1	3,335	0.50	1,667.50
Article XVI. General	FCU recordkeeping specified in secs 5 & 6	Record-keeping	3,335	1	3,335	24.00	80,040.00
Article XVII. Amendments of Bylaws and Charter	Post updates to bylaws after adopting amendments	Disclosure	3,235	1	3,235	0.50	1,617.50
Totals			3,235	354.83	1,147,877	0.347	399,298

NCUA does not believe that FCUs will incur any additional labor costs as a result of the bylaw requirements since these are in accordance with the FCUs' usual and customary business practices. The FCU bylaws address integral parts of an FCU's operations as member-owned, not-for-profit financial cooperatives. Since an FCU could not operate as a federally-chartered and insured credit union without complying with these collections, there is no additional labor cost burden.

13. Capital start-up or on-going operation and maintenance costs.

There are no capital start-up or operation and maintenance costs incurred.

14. Annualized costs to the Federal government.

There is no cost to the Federal government.

15. Reason for changes in burden.

Adjustments have been made to remove the one-time burden for the initial posting of their bylaws by FCU's to their website associated with the October 4, 2019, final rule, for a reduction of 3,235 burden hours. A total of 399,298 burden hours requested.

16. Information collection planned for statistical purposes.

There are no plans for publication.

17. Request non-display the expiration date of the OMB control number.

The OMB control number and expiration date associated with this PRA submission will be displayed on the Federal government's electronic PRA docket website at www.reginfo.gov.

18. Exceptions to Certification for Paperwork Reduction Act Submissions.

There are no exceptions to the certification statement.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not involve statistical methods.