

insolvency category; 18 months for the critically undercapitalized category; 36 months for the significantly undercapitalized category; and 15 months for the proposed 208 assistance category. The commenter said that while it “supports the extensions and additions suggested in the proposed rule, it is recommended that a holistic view of look-back and forecast timeframes is important and suggests that standardization of such timeframes may assist the industry.” The Board does not necessarily agree that standardization of timeframes across NCUA’s regulations relative to capitalization and net worth is desirable or would benefit credit unions. Further, the Board believes this comment to be beyond the scope of this rulemaking.

**IV. Regulatory Procedures**

**A. Regulatory Flexibility Act**

The Regulatory Flexibility Act requires the NCUA to prepare an analysis of any significant economic impact a regulation may have on a substantial number of small entities (primarily those under \$100 million in assets).<sup>10</sup> This final rule merely provides the NCUA greater flexibility to authorize emergency mergers and will not have a significant economic impact on a substantial number of small credit unions. Accordingly, the NCUA certifies that the final rule will not have a significant economic impact on a substantial number of small credit unions.

**B. Paperwork Reduction Act**

The Paperwork Reduction Act of 1995 (PRA) applies to rulemakings in which an agency creates new or amends existing information collection requirements.<sup>11</sup> For the purpose of the PRA, an information collection requirement may take the form of a reporting, recordkeeping, or a third-party disclosure requirement. The final rule does not contain information collection requirements that require approval by OMB under the PRA.<sup>12</sup> The final rule will merely provide the NCUA greater flexibility to authorize emergency mergers.

**C. Executive Order 13132**

Executive Order 13132 encourages independent regulatory agencies to consider the impact of their actions on state and local interests. In adherence to fundamental federalism principles, the NCUA, an independent regulatory agency as defined in 44 U.S.C. 3502(5),

voluntarily complies with the executive order. This rulemaking will not have a substantial direct effect on the states, on the connection between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. The NCUA has therefore determined that this final rule does not constitute a policy that has federalism implications for purposes of the executive order.

**D. Assessment of Federal Regulations and Policies on Families**

The NCUA has determined that this final rule will not affect family well-being within the meaning of Section 654 of the Treasury and General Government Appropriations Act, 1999.<sup>13</sup>

**E. Small Business Regulatory Enforcement Fairness Act**

The Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121) (SBREFA) provides generally for congressional review of agency rules. A reporting requirement is triggered in instances where the NCUA issues a final rule as defined by Section 551 of the Administrative Procedure Act. The NCUA does not believe this final rule is a “major rule” within the meaning of the relevant sections of SBREFA. As required by SBREFA, the NCUA has filed the appropriate reports so that this final rule may be reviewed.

**List of Subjects in 12 CFR Part 701**

Credit, Credit unions, Reporting and recordkeeping requirements.

By the National Credit Union Administration Board on December 14, 2017.

**Gerard Poliquin,**  
*Secretary of the Board.*

For the reasons discussed above, the NCUA Board amends 12 CFR part 701 as follows:

**PART 701—ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS**

- 1. The authority citation for part 701 is revised to read as follows:

**Authority:** 12 U.S.C. 1752(5), 1755, 1756, 1757, 1758, 1759, 1761a, 1761b, 1766, 1767, 1782, 1784, 1785, 1786, 1787, 1788, 1789. Section 701.6 is also authorized by 15 U.S.C. 3717. Section 701.31 is also authorized by 15 U.S.C. 1601 *et seq.*; 42 U.S.C. 1981 and 3601–3610. Section 701.35 is also authorized by 42 U.S.C. 4311–4312.

- 2. In appendix B to part 701, in the glossary, revise the definition of “in

danger of insolvency” to read as follows:

**Appendix B to Part 701—Chartering and Field of Membership Manual**

\* \* \* \* \*

*In danger of insolvency*—In making the determination that a particular credit union is in danger of insolvency, NCUA will establish that the credit union falls into one or more of the following categories:

1. The credit union’s net worth is declining at a rate that will render it insolvent within 30 months. In projecting future net worth, NCUA may rely on data in addition to Call Report data. The trend must be supported by at least 12 months of historic data.
2. The credit union’s net worth is declining at a rate that will take it under two percent (2%) net worth within 18 months. In projecting future net worth, NCUA may rely on data in addition to Call Report data. The trend must be supported by at least 12 months of historic data.
3. The credit union’s net worth, as self-reported on its Call Report, is significantly undercapitalized, and NCUA determines that there is no reasonable prospect of the credit union becoming adequately capitalized in the succeeding 36 months. In making its determination on the prospect of achieving adequate capitalization, NCUA will assume that, if adverse economic conditions are affecting the value of the credit union’s assets and liabilities, including property values and loan delinquencies related to unemployment, these adverse conditions will not further deteriorate.
4. The credit union has been granted or received assistance under section 208 of the Federal Credit Union Act, 12 U.S.C. 1788, in the 15 months prior to the Region’s determination that the credit union is in danger of insolvency.

\* \* \* \* \*

[FR Doc. 2017–27410 Filed 12–19–17; 8:45 am]

**BILLING CODE 7535–01–P**

**NATIONAL CREDIT UNION ADMINISTRATION**

**12 CFR Parts 701, 705, 708a, 708b, and 790**

**RIN 3133–AE81**

**Agency Reorganization**

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

**ACTION:** Final rule.

**SUMMARY:** The NCUA Board (“Board”) is issuing a final rule to implement certain features of the NCUA reorganization that the Board announced earlier this year. This rule amends the NCUA’s regulations related to the organization of the NCUA’s Central Office.

**DATES:** This rule is effective January 6, 2018.

**FOR FURTHER INFORMATION CONTACT:** Elizabeth Wirick, Senior Staff Attorney,

<sup>10</sup> 5 U.S.C. 603(a).

<sup>11</sup> 44 U.S.C. 3507(d); 5 CFR part 1320.

<sup>12</sup> 44 U.S.C. chap. 35.

<sup>13</sup> Public Law 105–277, 112 Stat. 2681 (1998).

Office of General Counsel, 1775 Duke Street, Alexandria, VA 22314 or telephone (703) 518-6540.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

In July 2017, the Board announced a plan to streamline and consolidate certain of the NCUA's functions and offices in an effort to reduce the NCUA's budget and increase efficiency. The portions of the Board's reorganization plan reflected in this rule will:

- Eliminate the Office of Small Credit Union Initiatives;
- Rename the Office of Consumer Financial Protection and Access the "Office of Consumer Financial Protection;" and
- Create a new office named the "Office of Credit Union Resources and Expansion" to absorb: (1) Most of the current functions of the Office of Small Credit Union Initiatives; (2) the federal credit union chartering and field of membership functions of the Office of Consumer Financial Protection; and (3) the minority depository institution preservation program of the Office of Minority and Women Inclusion.

Other aspects of the Board's reorganization plan, such as changes affecting the Office of Examination and Insurance, do not require regulatory changes.

The rule also makes a technical correction to the definition of "Regional Director" in the NCUA's voluntary merger regulation to reflect the fact that the Office of National Examinations and Supervision supervises natural person credit unions with assets of \$10 billion or more as well as corporate credit unions.

Additionally, the changes articulated in this rulemaking relate only to changes in the organization of the NCUA's Central Office, which become effective January 6, 2018. The two NCUA Regional Offices that are to be eliminated under the reorganization plan will not be closed until December 31, 2018. The Board will issue another rule in 2018 to reflect the reduction in the number of NCUA Regional Offices beginning in 2019.

**II. Regulatory Procedures**

*1. Final Rule Under the Administrative Procedure Act (APA)*

Generally, the APA requires a federal agency to provide the public with notice and an opportunity to comment on agency rulemakings.<sup>1</sup> This rule is exempt from the APA's notice and comment requirement because it only

addresses the NCUA's organization and structure.<sup>2</sup>

*2. Effective Date*

The APA also generally requires publication of a rule in the **Federal Register** at least 30 days before the effective date of the rule. Agencies can dispense with the 30-day requirement for good cause.<sup>3</sup> The NCUA finds good cause to dispense with the 30-day effective date requirement, as this rule is technical rather than substantive. The rule will, therefore, be effective January 6, 2018 to coincide with the implementation of the NCUA's reorganization plan.

*3. Small Business Regulatory Enforcement Fairness Act*

The Small Business Regulatory Enforcement Fairness Act of 1996<sup>4</sup> (SBREFA) provides generally for congressional review of agency rules. A reporting requirement is triggered in instances where the NCUA issues a final rule as defined by Section 551 of the APA.<sup>5</sup> As required by SBREFA, the NCUA has submitted this rule to the Office of Management and Budget for it to determine if the final rule is a "major rule" for purposes of SBREFA. The NCUA does not believe the rule is major.

*4. Regulatory Flexibility Act*

The Regulatory Flexibility Act requires the NCUA to prepare an analysis of any significant economic impact a regulation may have on a substantial number of small entities (primarily those under \$100 million in assets).<sup>6</sup> This final rule will not have a significant economic impact on small credit unions as it addresses only the NCUA's internal organization. Accordingly, the NCUA certifies the rule will not have a significant economic impact on a substantial number of small credit unions.

*5. Paperwork Reduction Act*

The Paperwork Reduction Act of 1995 (PRA) applies to rulemakings in which an agency by rule creates a new paperwork burden on regulated entities or increases an existing burden.<sup>7</sup> For purposes of the PRA, a paperwork burden may take the form of a reporting or recordkeeping requirement, both referred to as information collections. As the final rule simply conforms the NCUA's regulations to reflect its new

organizational structure, the NCUA has determined it does not increase paperwork requirements under the PRA.

*6. Executive Order 13132*

Executive Order 13132 encourages independent regulatory agencies to consider the impact of their actions on state and local interests. The NCUA, an independent regulatory agency as defined in 44 U.S.C. 3502(5), voluntarily complies with the executive order to adhere to fundamental federalism principles. The final rule does not have substantial direct effects on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. The NCUA has therefore determined that this final rule does not constitute a policy that has federalism implications for purposes of the executive order.

*7. Assessment of Federal Regulations and Policies on Families*

The NCUA has determined that this rule will not affect family well-being within the meaning of § 654 of the Treasury and General Government Appropriations Act, 1999, Public Law 105-277, 112 Stat. 2681 (1998).

**List of Subjects**

*12 CFR Part 701*

Credit unions, Chartering, Field of membership.

*12 CFR Part 705*

Credit unions, Grants, Loans, Low-income credit unions, Revolving fund.

*12 CFR Part 708a*

Credit unions, Charter conversions.

*12 CFR Part 708b*

Credit unions, Mergers of credit unions.

*12 CFR Part 790*

Organization and functions (Government agencies).

By the National Credit Union Administration Board on December 14, 2017.  
**Gerard Poliquin,**  
*Secretary of the Board.*

For the reasons discussed above, the National Credit Union Administration amends 12 CFR parts 701, 705, 708a, 708b, and 790 as follows:

**PART 701—ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS**

■ 1. The authority citation for part 701 continues to read as follows:

<sup>2</sup> *Id.* (b)(A).

<sup>3</sup> *Id.* 553(d)(3).

<sup>4</sup> Public Law 104-121.

<sup>5</sup> 5 U.S.C. 551.

<sup>6</sup> 5 U.S.C. 603(a).

<sup>7</sup> 44 U.S.C. 3507(d); 5 CFR part 1320.

<sup>1</sup> 5 U.S.C. 553(b).

**Authority:** 12 U.S.C. 1752(5), 1755, 1756, 1757, 1758, 1759, 1761a, 1761b, 1766, 1767, 1782, 1784, 1786, 1787, 1789. Section 701.6 is also authorized by 15 U.S.C. 3717. Section 701.31 is also authorized by 15 U.S.C. 1601 et seq.; 42 U.S.C. 1981 and 3601–3610. Section 701.35 is also authorized by 42 U.S.C. 4311–4312.

**Appendix B to Part 701 [Amended]**

■ 2. In appendix B to part 701, remove the term “Office of Consumer Financial Protection and Access” wherever it appears and add in its place the term “Office of Credit Union Resources and Expansion”.

**PART 705—COMMUNITY DEVELOPMENT REVOLVING LOAN FUND FOR CREDIT UNIONS**

■ 3. The authority citation for part 705 continues to read as follows:

**Authority:** 12 U.S.C. 1756, 1757, 1766, 1782, 1784, 1785, 1786.

■ 4. In § 705.5, in paragraph (d), remove the term “Office of Small Credit Union Initiatives” and add in its place the term “Office of Credit Union Resources and Expansion”.

**PART 708a—BANK CONVERSIONS AND MERGERS**

■ 5. The authority citation for part 708a continues to read as follows:

**Authority:** 12 U.S.C. 1766, 1785(b), and 1785(c).

■ 6. In § 708a.101, revise the first sentence of the definition of “Regional Director” to read as follows:

**§ 708a.101 Definitions.**

\* \* \* \* \*

*Regional Director* means either the director for the NCUA Regional Office for the region where a natural person credit union’s main office is located or the director of the NCUA’s Office of Credit Union Resources and Expansion. \* \* \*

\* \* \* \* \*

**PART 708b—MERGERS OF FEDERALLY-INSURED CREDIT UNIONS; VOLUNTARY TERMINATION OR CONVERSION OF INSURED STATUS**

■ 7. The authority citation for part 708b continues to read as follows:

**Authority:** 12 U.S.C. 1752(7), 1766, 1785, 1786, and 1789.

■ 8. In § 708b.2, revise the definition of “Regional Director” to read as follows:

**§ 708b.2 Definitions.**

\* \* \* \* \*

*Regional Director* means either the director for the NCUA Regional Office

for the region where a natural person credit union’s main office is located or the director of the NCUA’s Office of Credit Union Resources and Expansion. For corporate credit unions and natural person credit unions with \$10 billion or more in assets, Regional Director means the director of the NCUA’s Office of National Examinations and Supervision.

\* \* \* \* \*

**PART 790—DESCRIPTION OF NCUA; REQUEST FOR AGENCY ACTION**

■ 9. The authority citation for part 790 continues to read as follows:

**Authority:** 12 U.S.C. 1766, 1789, 1795f.

■ 10. In § 790.2, revise the second sentence of paragraph (b)(6), paragraph (b)(12), the third sentence of paragraph (b)(13), and paragraph (b)(15) to read as follows:

**§ 790.2 Central and field office organization.**

\* \* \* \* \*

(b) \* \* \*

(6) \* \* \* The Executive Director

translates the NCUA Board policy decisions into workable programs, delegates responsibility for these programs to appropriate staff members, and coordinates the activities of the senior executive staff, which includes: The General Counsel; the Regional Directors; and the Office Directors for the Asset Management and Assistance Center, Chief Economist, Chief Financial Officer, Chief Information Officer, Consumer Financial Protection, Continuity and Security Management, Credit Union Resources and Expansion, Examination and Insurance, Human Resources, Minority and Women Inclusion, National Examinations and Supervision, and Public and Congressional Affairs. \* \* \*

\* \* \* \* \*

(12) *Credit Union Resources and Expansion.* This Office is responsible for coordinating NCUA policy and actions related to credit union chartering and field of membership, low income designation, and preserving credit unions run by minorities and/or serving minorities. The Office administers the Community Development Revolving Loan Program for Credit Unions (Program). This Program is funded from congressional appropriations and serves as a source of financial support, in the form of technical assistance grants and loans to low-income credit unions serving predominantly low-income members. The Program is governed by part 705 of subchapter A of this chapter.

\* \* \* \* \*

(13) *Office of Minority and Women Inclusion.* \* \* \* Specific duties of the Office include developing and implementing standards for: Equal employment opportunity and the racial, ethnic, and gender diversity of the workforce and senior management of the NCUA; increased participation of minority-owned and women-owned businesses in the programs and contracts of the NCUA, including standards for coordinating technical assistance to such businesses; and assessing the diversity policies and practices of credit unions regulated by the NCUA. \* \* \*

\* \* \* \* \*

(15) *Office of Consumer Financial Protection.* (i) The Office of Consumer Financial Protection contains two divisions:

(A) The Division of Consumer Compliance Policy and Outreach; and

(B) The Division of Consumer Affairs;

(ii) The Office provides consumer financial services, including consumer education and complaint resolution; establishes, consolidates, and coordinates consumer financial protections within the agency; oversees the agency’s fair lending examination program; and acts as the central liaison on consumer financial protection with other federal agencies.

\* \* \* \* \*

[FR Doc. 2017–27411 Filed 12–19–17; 8:45 am]

BILLING CODE 7535–01–P

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 39**

[Docket No. FAA–2017–0671; Product Identifier 2016–SW–072–AD; Amendment 39–19135; AD 2017–26–04]

RIN 2120–AA64

**Airworthiness Directives; Airbus Helicopters (Previously Eurocopter France)**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule.

**SUMMARY:** We are superseding Airworthiness Directive (AD) 2009–25–07 for Airbus Helicopters Model EC120B helicopters. AD 2009–25–07 required amending the rotorcraft flight manual supplement (RFMS) and pre-flight checking the emergency flotation gear before each flight over water. Since we issued AD 2009–25–07, Airbus Helicopters developed a terminating action and identified an additional part-