

**Supporting Statement for Paperwork Reduction Act Submission
Federal Credit Union Membership Applications and Denials
OMB Control Number 3133-0052
September 2007**

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The collection of information is required by section 113(16) of the Federal Credit Union ("FCU") Act, 12 U.S.C §176lb(16), and Article II, section 2 of the Standard Federal Credit Union Bylaws.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

This recordkeeping requirement is primarily for the benefit of the applicant. However, the NCUA examiner would also review the record to determine the reason(s) for denying membership applications.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

FCUs may use any information technology available to retain records.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The application and any reason for denying a membership is unique to the FCU and the applicant and is not duplicated anywhere.

5. If the collection of information impacts small business or other small entities (Item 5 of OMB Form 83-1), describe any methods used to minimize burden.

Not Applicable.

6. Describe the consequence to Federal Program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The information collection is conducted only when someone applies for membership or when the FCU denies a membership application and the applicant subsequently requests the reasons in writing. Less frequent notice would not be feasible.

7. Explain any special circumstances that would cause an information to be conducted in a manner inconsistent with 5 CFR § 1320.5(d) (2)

There are no special circumstances.

8. Describe efforts to consult with persons outside the agency:

Notice of the proposed information collection reinstatement will be published in the Federal Register with a 60 day comment period. All comments received regarding the proposal will be carefully considered by the NCUA.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees:

There is no decision to provide any payment or gift to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

There is no assurance of confidentiality provided to respondents.

11. Provide additional justification for any question of a sensitive nature:

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden estimate:

There are 5,732 FCUS. NCUA estimates that each year only one fourth of all FCUs will deny a membership application, and that, on average, no FCU will deny more than one application. Accordingly, NCUA estimates that there will be 1,433 record keepers. NCUA's estimates are based on the experiences of NCUA's Office of Examination and Insurance. NCUA believes that providing an applicant with the reasons for a denial of his application is a usual and customary business practice, therefore, NCUA estimates that it will take each FCU one hour to draft the letter and provide it to the applicant.

1,433 respondent/record keepers X 1 hour = 1,433 total annual hours

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

NCUA does not believe that FCUs will incur any additional operational costs as a result of the requirement to provide information to the applicant and to retain records.

It is the NCUA's view that the signed application form is not only a usual and customary practice, but an integral part of the FCU's operations, since an FCU could not engage in banking activities without first identifying its members. Accordingly, this information collection does constitute any additional burden.

14. Provide estimates of annualized cost to the Federal government:

There is no cost to the federal government.

15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-1.

There are no program changes or adjustments.

16. For collections of Information whose results will be published, outline plans for tabulation, and publication:

Not applicable.

B. Collections of Information Employing Statistical Methods

The collection does not employ statistical methods.