



National Credit Union Administration

March 12, 2004

Office of the Chairman

SUBJECT: Small Credit Unions' Rights under the Small Business Regulatory Enforcement Fairness Act of 1996

Dear Board of Directors and Chief Executive Officer:

This letter is to inform you of your rights as a small business entity under the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA). This law requires the federal government to establish regulations and enforcement activities to recognize the challenges facing small businesses and to provide small businesses with a means to comment on enforcement activities. Congress has assigned responsibility for the implementation of SBREFA to the Small Business Administration (SBA).

The passage of SBREFA required the SBA to establish an Ombudsman office to ensure compliance with the law. The Office of the SBA National Ombudsman is intended to provide small credit unions with an additional venue to submit comments regarding actions taken by NCUA employees while conducting official compliance or enforcement activities related to them. NCUA recently revised Interpretive Ruling and Policy Statement (IRPS) 03-2 and changed the definition of small business entities impacted by these laws to include those credit unions with less than \$10 million in assets.

Pursuant to the Riegle Community Development and Regulatory Improvement Act of 1994, NCUA established an Ombudsman office, housed in the Central Office, to address certain issues raised by federally-insured credit unions which can not be satisfactorily resolved at the regional level. Although credit unions are encouraged to continue using the agency's longstanding Ombudsman process, those credit unions with less than \$10 million in assets also have the right, if they so choose, to contact the SBA's Ombudsman to provide comments on any NCUA compliance or enforcement activity. Contact information and an overview of responsibilities of the NCUA's Ombudsman can be found at http://www.ncua.gov/org/ncua_directory/ncua_directory.html, or by contacting the NCUA Ombudsman directly by e-mail at ombudsman@ncua.gov, or by telephone at 703-518-6510.

The SBA National Ombudsman can be contacted through the internet at www.sba.gov/ombudsman, through e-mail at ombudsman@sba.gov, by toll free telephone at (888)734-3247, or by mail at:

Office of the National Ombudsman
U.S. Small Business Administration
409 3rd Street, SW, MC2120
Washington, DC 20416-0005

Should you have any questions concerning your rights to contact the SBA National Ombudsman, please feel free to contact the NCUA Ombudsman, as noted above, or your regional office.

Sincerely,

/S/

Dennis Dollar
Chairman

OCUD/ALC:alc
SSIC 3244

cc: All Central Office Directors
All Regional Office Directors