

NATIONAL CREDIT UNION ADMINISTRATION

WASHINGTON, D.C. 20456

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7/1/85

Mr. Daniel P. Bradley  
Senior Vice President  
DM Federal Credit Union  
P.O. Box 15115  
Tucson, AZ 85708

Dear Mr. Bradley:

This is in response to your letter of May 8, 1985, wherein you ask two questions involving the field of membership for Federal credit unions (FCU's).

Your first question concerns whether or not an FCU may adopt a policy of "once in the field, always in the field." As you know, FCU's may adopt the "once a member, always a member" bylaw (see Article II, Section 5 of the Standard Federal Credit Union Bylaws). This bylaw has been in effect since 1968 and has not been changed. With this bylaw provision, an individual (or corporation) can retain membership in the FCU even though he/she is no longer within the field of membership. However, the individual member must have established membership while within the field of membership. A policy or bylaw amendment of "once in the field, always in the field" is not one that has been approved by NCUA.

Your second question involves the immediate families bylaw (Article XVIII, Section 2(a) of the Standard Federal Credit Union Bylaws) and the new senior citizen/retiree policy as outlined in Interpretive Ruling and Policy Statement 84-1 (IRPS 84-1). You theorize that "if a credit union allows the family members of eligible members to join, then it appears that membership would be unlimited because virtually everyone is related to a senior citizen." In order for the immediate families bylaw to apply to a retiree/senior citizen or any other association, the association name must appear before "immediate families" in Section 5 of the FCU charter. This is usually the case. The immediate families bylaw applies only to family members (however defined) of retirees/senior citizens who are members of a retiree/senior citizen association which is within the field of membership of an FCU. Merely being a family member of a retiree does not, in and of itself, qualify one for membership in the FCU. Immediate family members of those retirees/senior citizens who have joined such an association are eligible for membership in the FCU even though the retiree/senior citizen has not also joined the FCU. We believe this to be consistent with longstanding NCUA policy involving family members of association members within an FCU's stated field of membership.

FOIA file: Vol. III, A, 7. Bylaws; Vol. III, A, 3.b. - Once a Member



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We hope that we have been of assistance. If further questions arise, please contact our Regional Office in Austin.

Sincerely,

(S)

STEVEN R. BISKER  
Assistant General Counsel

cc: Regional Director, Region V (Austin)