



NATIONAL CREDIT UNION ADMINISTRATION  
Washington, D.C. 20456

Office of General Counsel

GC/Hmuick  
3600  
2/21/86

Stephen M. Brent, Esquire  
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30 W. Broad Street  
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Dear Mr. Brent:

This is in response to your letter of December 17, 1985, concerning field of membership expansion for Federal credit unions (FCU's).

The specific issue that you raise is whether an FCU must accept into its field of membership each occupational or associational group, otherwise qualified, that applies, regardless of whether or not acceptance of a particular group is in the FCU's best financial interest. An FCU does not have an obligation under the Federal Credit Union Act (12 U.S.C. §§1751 et seq.) or NCUA Rules and Regulations (12 C.F.R. Part 700 et seq.) to accept groups that request to be added to its field of membership. However, we do not reach any conclusions as to any other state or Federal law that may be applicable to FCU's under these circumstances.

The FCU, not a group outside of its field of membership, has the authority to apply to NCUA to expand its field of membership. The requirements and procedures for requesting amendments to field of membership are set forth in Interpretive Ruling and Policy Statement 84-1 and in the pamphlet entitled Chartering and Organizing of FCU's, copies of which are enclosed.

In connection with the issue raised in your letter, you refer to Section 701.31 of the NCUA Regulations (12 C.F.R. 701.31) entitled Nondiscrimination Requirements. This regulation has no bearing on acceptance of groups to an FCU's field of membership. It is relevant only to those who are already members of the FCU. (See Sections 107(5) and 107(6) of the FCU Act, 12 U.S.C. §§107(5) and 107(6).) Pursuant to Section 701.31, an FCU cannot discriminate in making real estate loans to its members. Further, with respect to all lending, both the Equal Credit

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