

## FOM by State

### NASCUS State Regulators National Meeting March 2018

From a Matrix Compiled by Bruce Jolly (ReedandJolly)

State		Notes
<b>Alabama</b>	<p><b><u>Ala.Code 1975 § 5-17-5 § 5-17-5. Membership.</u></b></p> <p>... Credit union membership shall consist of the incorporators and such other persons as may be elected to membership and who subscribe to at least one share and pay the initial installment thereon and the entrance fee. Organizations, incorporated or otherwise, composed for the most part of the same general group as the credit union membership may be members. Credit union organization shall be limited to groups, of both large and small membership, having a common bond of occupation or association or to groups within a well-defined neighborhood, community or rural district.</p>	
<b>Alaska</b>	<p><b><u>Sec. 06.45.070. Membership.</u></b></p> <p>Credit union membership consists of the incorporators and other persons and incorporated and unincorporated organizations, to the extent permitted by regulations adopted by the commissioner, elected to membership. Each member shall subscribe to at least one share of the stock of the credit union and pay the initial installment on the stock and a uniform entrance fee if required by the board of directors of the credit union. Credit union membership is limited to groups having a common bond of occupation or association, or to groups within a well-defined neighborhood, community, or rural district.</p>	
<b>Arizona</b>	<p><b><u>6-506. Organization procedure</u></b></p> <p>C. The incorporators shall prepare, adopt and execute bylaws consistent with this chapter for the general governance of the credit union. The bylaws, among other things, shall provide:</p> <ol style="list-style-type: none"> <li>1. The proposed field of membership which shall be limited to groups having a common bond of interest, occupation or association or to groups within a well-defined neighborhood, community or rural district consistent with the purposes of the credit union.</li> </ol>	
<b>California</b>	<p><b><u>14155.</u></b></p> <p>Upon reasonable notice and opportunity to be heard, the commissioner may deny the application for a certificate to act as a credit union or an expansion of the field of membership of an existing credit union for any of the following reasons:</p> <ol style="list-style-type: none"> <li>(a) The field of membership of the applicant is contrary to the principles of organizing credit unions, including principles of organizing credit unions based on common bond of occupation,</li> </ol>	

<p><b>Idaho</b></p>	<p><b><u>26-2110. MEMBERSHIP.</u></b></p> <p>... (b) Credit union organizations shall be limited to groups having a common bond of occupation or association, or to residents within a well-defined neighborhood, community, or rural district, employees of a common employer, or members of a bona fide fraternal, religious, cooperative, labor, rural, educational, or similar organization and members of the immediate family of such persons.</p>	
<p><b>Illinois</b></p>	<p><b>Sec. 1.1. Definitions.</b></p> <p><b>Common Bond</b> - The term "common bond" refers to groups of people who meet one of the following qualifications:</p> <p>(1) Persons belonging to a specific association, group or organization, such as a church, labor union, club or society and members of their immediate families which shall include any relative by blood or marriage or foster and adopted children.</p> <p>(2) Persons who reside in a reasonably compact and well defined neighborhood or community, and members of their immediate families which shall include any relative by blood or marriage or foster and adopted children.</p> <p>(3) Persons who have a common employer or who are members of an organized labor union or an organized occupational or professional group within a defined geographical area, and members of their immediate families which shall include any relative by blood or marriage or foster and adopted children.</p>	
<p><b>Indiana</b></p>	<p><b>IC 28-7-1-10 Membership</b></p> <p>Sec. 10. (a) The membership of credit unions shall be clearly and specifically identified. The membership of a credit union shall be limited to one (1) or more qualified groups of persons, immediate family members of the persons in the qualified group or groups, and organizations of those persons. For purposes of this section, a <u>qualified group</u> consists of:</p> <ol style="list-style-type: none"> <li>(1) persons having a common bond of occupation, trade, or professional association;</li> <li>(2) members of a labor organization;</li> <li>(3) members of a church;</li> <li>(4) persons engaged in a common trade or profession within a well defined geographical location;</li> <li>(5) employees of the credit union;</li> <li>(6) persons who are members of a farm bureau cooperative, or other farm bureau organization, and who have subscribed to one (1) or more shares; or</li> <li>(7) persons who reside or are employed within a <u>community</u>.</li> </ol> <p><b>PIC 28-7-1-0.5 Definitions</b></p> <p>Sec. 0.5. The following definitions apply throughout this chapter:</p> <p>(12) "Community" means:</p> <ol style="list-style-type: none"> <li>(A) a second class city;</li> <li>(B) a third class city;</li> <li>(C) a town;</li> <li>(D) a county other than a county containing a consolidated city;</li> </ol>	



	<p>or rural district; employment by a common employer or by employers located within a well-defined industrial park or community; membership in a bona fide fraternal, religious, cooperative, labor, rural, educational or similar organization; and members of the immediate families of such persons.</p>	
<b>Maryland</b>	<p><b>§ 6-301. Formation of credit union</b></p> <p>Organization defined</p> <p>(b) Seven or more adult individuals, each of whom is a resident of this State, may act as incorporators to form a credit union under this subtitle with one of the following field of membership types:</p> <ul style="list-style-type: none"> <li>(1) Single common bond;</li> <li>(2) Multiple common bond; or</li> <li>(3) Community common bond.</li> </ul>	
<b>Massachusetts</b>	<p><b>General Laws Part I Title XXII - Chapter 171</b></p> <p><b>Section 9.</b></p> <p>The shareholders of every such corporation shall make and adopt by-laws, consistent with law, for the government of its affairs. The by-laws shall provide for and determine:</p> <ul style="list-style-type: none"> <li>... (c) The condition of residence, occupation or association which qualify persons for membership.</li> </ul>	
<b>Michigan</b>	<p><b>490.352 Domestic credit union; membership; composition; field of membership; application; approval by commissioner; revision; extension.</b></p> <p>Sec. 352.</p> <p>(2) The credit union board of a domestic credit union shall establish the field of membership for a domestic credit union. The field of membership shall consist of 1 or more of the following:</p> <ul style="list-style-type: none"> <li>(a) One or more groups of any size that have a common bond of occupation, association, or religious affiliation.</li> <li>(b) One or more groups composed of persons whose common bond is residence, employment, or place of religious worship within a geographic area composed of 1 or more school districts, counties, cities, villages, or townships.</li> <li>(c) One or more groups whose common bond is common interests, activities, or objectives.</li> </ul> <p>(3) One or more credit unions may serve 1 or more groups described in subsection (2).</p>	
<b>Minnesota</b>	<p><b>52.05 MEMBERSHIP.</b></p> <p>§ Subdivision 1. Requirements. ... Credit union organizations shall be limited to persons within one or more groups or any combination of groups having a common bond of occupation, association, or community.</p>	
<b>Mississippi</b>	<p><b>§ 81-13-13. Membership</b></p> <p>... Credit unions shall be organized within groups which have a common bond of occupation, association, or residence; provided that one (1) corporate central credit union sponsored by the Mississippi Credit Union League may accept as members the credit unions that are members of the</p>	

<p><b>New Jersey</b></p>	<p><b><u>New Jersey Statutes 17:13-92. Membership of credit union:</u></b> regulations.</p> <p>14. ... b. Except as otherwise provided in this section, credit union membership shall be limited to the types of membership described in one of the following categories :</p> <p>(1) one group which has a common bond of occupation or association; or</p> <p>(2) more than one group with each group having within that group a common bond of occupation or association and a membership of less than 3,000 members at the time that group is first included within the field of membership of a credit union made up of more than one group; or</p> <p>(3) persons or organizations, or any combination of organizations within a well-defined neighborhood, local community or rural district; or</p> <p>(4) any combination of membership fields from paragraphs (1), (2) and (3) of this subsection b., provided, however, that the combining of membership fields pursuant to this paragraph shall only be used with respect to an existing credit union and only if, in the determination of the commissioner, it is found that the combination is necessary to maintain the safety and soundness of that existing credit union and, with respect to any group eligible to be part of a credit union pursuant to paragraph (2) or organization eligible to be part of a credit union pursuant to paragraph (3) of this subsection which is to be combined, the membership of that group or organization shall be subject to the same limitation on the number of members as provided for groups under paragraph (2) of this subsection; and</p> <p>(5) members of the immediate family of persons in a credit union or in any group or organization which makes up the membership of a credit union.</p>	
<p><b>New Mexico</b></p>	<p><b><u>58-11-21. Membership.</u></b></p> <p>... B. Credit union membership may include persons within one or more groups having a common bond of similar occupation, association or interest, or persons who reside or belong to one or more groups that are based within an identifiable neighborhood, community or rural district, or employees of a common employer, or persons employed within a defined business district, industrial park or shopping center and members of the immediate family of such persons.</p>	
<p><b>New York</b></p>	<p><b><u>N.Y. Banking Law 451-A – Qualifications for Membership</u></b></p> <p>1. Subject to approval of the superintendent, the membership of a credit union shall consist of persons within the credit union’s field of membership who have been duly admitted members.</p> <p>(a) Persons:</p> <p>(1) within the same occupation or from multiple groups each representing a different occupation;</p>	



<p><b>Oregon</b></p>	<p><b><u>723.172 Credit union membership; rules.</u></b></p> <p>... (3) Credit union membership may include:  (a) One or more groups, each having a common bond of occupation or association; or  (b) Persons who live or work in, or organizations located within, a well-defined local community, neighborhood or rural district.  (4) Credit union membership may also include any of the immediate family of a person who is eligible for membership in the credit union under subsection (3) of this section. For the purposes of this subsection, "immediate family" includes an eligible member's foster parent or legally appointed guardian.</p>	
<p><b>Pennsylvania</b></p>	<p><b><u>§ 701. Membership.</u></b></p> <p>(a) General rule.--Credit union organizations shall be limited to groups having a potential membership of 500 or more adult persons and having a common bond of association within a well defined community or rural district by reason of occupation or of membership in a religious congregation or fraternal or labor organization or residence within a well-defined community or rural district.</p>	
<p><b>Rhode Island</b></p>	<p><b><u>Universal Citation: RI Gen L § 19-5-2</u></b></p> <p>– Fifteen (15) or more citizens of this state who have associated themselves by a written agreement to form a credit union may, with the consent of the director or the director's designee, become a corporation upon complying with the provisions of §§ 7-6-33 – 7-6-35....</p> <p>Universal Citation: RI Gen L § 19-5-3 (2013)  <b><u>§ 19-5-3 Membership of credit unions.</u></b> – After organization of any credit union has been completed, nothing in this chapter shall be construed to debar from membership any fraternal organization, voluntary association, partnership, or corporation.</p>	
<p><b>South Carolina</b></p>	<p><b><u>SECTION 34-26-500. Requirements of membership; eligible groups; requirement of board approval.</u></b></p> <p>... (2) Credit union membership may also consist of groups having different common bonds of occupation or association or persons employed within a defined business district, building, industrial park or shopping center, and members of the family of such persons who are related by either blood or marriage.</p>	
<p><b>Tennessee</b></p>	<p><b><u>§ 45-4-301 - Membership -- Qualifications -- Entrance fee.</u></b></p> <p>(a) The membership shall consist of incorporators and persons, societies, associations, copartnerships and corporations that have been duly elected to membership and have subscribed to one (1) or more shares and have paid for the same in whole or in part, with the entrance fee as required by the bylaws, and have complied with other requirements that the certificate of organization may contain; except that a credit union shall be limited to groups having a common bond of occupation or association or to groups within a well-defined neighborhood, community, or rural district.</p>	



	(C) persons or organizations within one or more well-defined communities, neighborhoods, municipalities, or counties; or (D) any combination of subdivisions (A), (B), or (C).	
<b>Virginia</b>	<p><b>§ 6.2-1327. Membership defined:</b></p> <p>... B. Credit union membership shall be limited to persons within a specified field of membership, individuals within the immediate family or household of such persons, associations of such persons, other credit unions, and employees of the credit union. The field of membership specified shall be composed of one of the following:</p> <ol style="list-style-type: none"> <li>1. A single group having a common bond of occupation or association;</li> <li>2. More than one group, each of which has a common bond of occupation or association, and each of which does not exceed 3,000 members at the time it is proposed to be included in a multiple common-bond credit union. The 3,000-member limitation shall not apply if the Commission determines that an exception on the grounds provided in subsection (d) (2) or (d) (3) of § 101 of the Credit Union Membership Access Act (12 U.S.C. § 1759) is appropriate. In making any determination under this provision, the Commission shall give consideration to the National Credit Union Administration guidelines; or</li> <li>3. Those persons or organizations within a well-defined local community, neighborhood or rural district.</li> </ol>	
<b>Washington</b>	<p><b>RCW 31.12.382 Limitation on membership.</b></p> <p>(1) Membership in a credit union shall be limited to groups having a common bond of occupation or association, or to groups within a well-defined neighborhood, community, or rural district. The director may adopt rules: (a) Reasonably defining "common bond"; and (b) setting forth standards for the approval of charters.</p>	
<b>West Virginia</b>	<p><b>§31C-4-1. Membership defined.</b></p> <p>... (b) Credit union membership shall be limited to, persons within one or more groups having a common bond or bonds of similar occupation, employer, association or interest, and members of the immediate family of such persons.</p>	
<b>Wisconsin</b>	<p><b>186.02 Incorporation, bylaws, amendment, fees.</b></p> <p>... (2) BYLAWS. ... (b) Credit unions shall be open to:</p> <ol style="list-style-type: none"> <li>1. Groups having common or related bonds of occupation or association.</li> <li>2. Except as otherwise provided in this subdivision, individuals who reside or are employed within well-defined and contiguous neighborhoods and communities. If the office of credit unions, subsequent to a credit union merger, determines that it would be inappropriate under the circumstances to require members of the credit union that results from the merger to reside or be employed in contiguous neighborhoods and communities, the requirement that these neighborhoods and communities be contiguous does not apply.</li> <li>2m. Individuals who reside or are employed within well-defined and contiguous rural districts or multicounty regions.</li> </ol>	