

*A Guide for Credit Union Management and Members
on How to Broaden Membership Criteria,
Including Official Rulings and By-Law Amendments
Approved by Federal and State Regulators*

**CREDIT UNIONS ARE
EXPANDING FAMILY MEMBERSHIP**

Boards of Directors Are Amending By-Laws to Enable
Domestic Partners and Other Household Residents to Join

January 1993
SPECTRUM INSTITUTE
Family Diversity Project
P.O. Box 65756
Los Angeles, CA 90065
(213) 258-8955, ext 707

APPENDIX

- A. **SAMPLE DOCUMENTS FOR A
FEDERALLY-CHARTERED CREDIT UNION:
Los Angeles City Employees Federal Credit Union
and the National Credit Union Administration**

- B. **SAMPLE DOCUMENTS FOR A
STATE-CHARTERED CREDIT UNION:
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and the California Department of Corporations**

- C. **EXCERPTS FROM THE
CONSUMER TASK FORCE REPORT**

Introduction

When it comes to the American family, we are no longer a "one size fits all" society. Although many social and economic policies are still based on the notion that a family is a unit comprised of a working husband and a homemaker wife raising two children, a growing number of businesses and government agencies are beginning to recognize that most families no longer fit that stereotype.

American workers are calling on government officials, labor leaders, and business executives to use more inclusive definitions of "family" in the design and administration of employee benefits programs. Consumers are also demanding change in policies and programs affecting them.

With the election of Bill Clinton as the nation's new president, voters have signalled their support of his politics of inclusion. As millions of viewers watched him deliver his acceptance speech at the Democratic National Convention, Clinton was up front about his broad definition of family. Clinton told the nation:

"I want an America where 'family values' live in our actions, not just our speeches. An America that includes every family. Every traditional family and every extended family. Every two-income family and every single-parent family, and every foster family."

Family Demographics

President Clinton's respect for family diversity is not divorced from reality. Demographics from the 1990 Census show us that families come in a variety of shapes and sizes. Less than 27% of the nation's households contain a married couple with minor children.

In urban areas such as Los Angeles, San Diego, and Sacramento on the west coast to Philadelphia, Newark, and Hartford on the east coast, a majority of households do not contain a married couple. Instead, a combination of single-parent households, foster families, extended families, domestic partners and one-person households are the norm.

Changing Definitions

Government agencies and private businesses are beginning to come to grips with the reality of family diversity. Two recent court decisions illustrate this point.

In 1989, the highest court in New York state ruled that the term "family" includes many loving and permanent relationships that are not based on blood, marriage, or adoption. After the primary tenant died, the court ruled that the tenant's gay life partner could remain in the apartment as a surviving family member.

In 1992, the Massachusetts Supreme Court granted unemployment benefits to a woman who quit her job to remain with her domestic partner after his business was relocated to another city. The court concluded that married couples are not the only families entitled to unemployment benefits when the relocation of a primary breadwinner

causes another working family member to quit his or her job to keep the family together.

Further evidence of respect for family diversity is the growing number of municipalities that now recognize domestic partners as family members, conferring such benefits as family sick leave, bereavement leave, and in many cases health and dental benefits. Some private businesses, such as Time Magazine, Levi Strauss, Sprint, "Woodies" and Garfinkles department stores, and high-tech Boreland International, have followed suit.

Credit Unions

Although some credit unions have begun to use more inclusive definitions of family in their by-laws, many continue to discriminate against unmarried couples. Fortunately, government agencies that regulate credit unions have given their stamp of approval to those adopting more inclusive definitions of "family."

The movement to eliminate discrimination against unmarried credit union members began with a report issued in 1990 by the Los Angeles City Attorney's Consumer Task Force on Marital Status Discrimination. That report documented that marital status discrimination is pervasive even though a majority of adults living in urban areas are not married. It called on corporations, such as credit unions, to make necessary adjustments to eliminate such discrimination in their business practices.

Credit union experts informed the Consumer Task Force that people can only join a credit union if they fit into the institution's field of membership or are an "immediate family" member of someone who qualifies.

A survey of credit unions disclosed that many institutions define "family" in a narrow way, limiting it to relationships based on blood, marriage, or adoption. Such restrictive criteria prevent unmarried couples from getting a joint loan or having a joint account because such transactions require both parties to be credit union members.

Soon after the Consumer Task Force report was released, a few government employees contacted two local credit unions, urging them to adopt a more inclusive definition of family in their by-laws. The result shows that a few people can create change.

The Los Angeles City Employees Federal Credit Union (federally chartered) and the Los Angeles County Civic Center Credit Union (state regulated) granted the requests of these employees and amended their by-laws to make household members of employees eligible to join. As a result, an unmarried partner can be a depositor or get a loan from these credit unions. Federal and state agencies approved these by-law amendments.

Changes at these institutions came rather easily because it is generally in the best interest of a credit union to broaden the definition of family. A more inclusive definition of family means more depositors and more borrowers. More customers translates into greater profits.

Most credit unions and customers aren't aware that the problem can be easily corrected with a simple by-law amendment that includes the term "household member" in the definition of family. The documents contained in this booklet can serve as a guide to credit union managers as they begin to adopt inclusive definitions of family in their by-laws.

February 6, 1991

Steve McDiffett
General Manager
The Board of Directors
The Los Angeles City Employees Federal Credit Union
303 South Union Avenue
Los Angeles, California 90017

Dear Mr. McDiffett and Members of the Board:

We are requesting a change in the By-laws of the Credit Union to permit the inclusion of domestic partners (long term household members) within the definition of "family" for purpose of membership in the organization.

The City Attorney's Consumer Task Force on Marital Status Discrimination, of which Alana was a member, created awareness of the great progress being made by many organizations and benefits of family membership. Health clubs, airlines, and retail membership outlets, such as the Price Club, have included domestic partners within the definition of family members eligible for family discounts, frequent flyer mileage bonuses and other benefits. The Los Angeles Zoo, for example, has expanded its definition of family membership to include domestic partners.

We are including with this letter copies of the final report of the Task Force, issued in March 1990, along with selected sections from that report and Supplement to the Report, which specifically discuss the issue of family membership definitions.

We are requesting, as individual Credit Union members, that this issue be included as an agenda item at the next meeting of the Board and that a representative of the Credit Union management, either staff or a Board member, meet with the Implementing Committee of the Consumer Task Force at our next meeting on February 24, at 9:00 A.M. at the City Attorney's Office, 18th floor conference room, in City Hall East. We will be happy to be available for further assistance with this matter.



BRUCE COPLEN
Membership Number

Sincerely,



ALANA BOWMAN
Membership Number

AB:alj

Enclosures

FAMILY DIVERSITY
A PROJECT OF SPECTRUM INSTITUTE



July 26, 1991

**Mr. Foster C. Bryan, Regional Director
National Credit Union Administration
2300 Clayton Rd., Suite 1350
Concord, CA 94520**

Dear Mr. Bryan:

I am writing for clarification regarding the authority of federally-regulated credit unions to amend the definition of "immediate family" in their bylaws. As you know, that term and its definition are used in bylaws with respect to eligibility for membership.

Last year, I served as Chairperson of the Los Angeles City Attorney's Consumer Task Force on Marital Status Discrimination. We issued a report in March 1990. One recommendation in the report called upon credit unions serving city employees to expand the definition of family to include household members in addition to spouses and blood relatives.

After receiving a formal request from two of its members, the Los Angeles Federal Credit Union implemented this proposal on February 21, 1991, by amending its by laws to include "household members" in the definition of "immediate family." The credit union sent a letter to you notifying NCUA of this bylaw amendment.

I was recently informed by the credit union that its bylaw amendment had officially gone into effect. I was also informed that the NCUA Board had deregulated the section of the bylaws concerning immediate family and that authority to make such an amendment rested solely with a credit union's Board of Directors.

The Family Diversity Project of Spectrum Institute is working to implement some of the recommendations of the Consumer Task Force, including the recommendation directed to credit unions. Since we plan to approach other credit unions about this issue, we would appreciate your response to the following questions:

- (1) Is there any NCUA regulation that prohibits a credit union Board of Directors from defining "immediate family" to include "household members" of the primary member?**
- (2) Does a credit union Board of Directors need approval from NCUA to amend its bylaws to define "immediate family" in such a manner?**

Thank you for considering our request for information. We look forward to your reply.

Yours truly,

**THOMAS F. COLEMAN
Executive Director**



NATIONAL CREDIT UNION ADMINISTRATION

REGION VI

August 30, 1991

Thomas F. Coleman, Executive Director
Family Diversity Project of
Spectrum Institute
P. O. Box 65756
Los Angeles, CA 90065

Dear Mr. Coleman:

The purpose of this letter is to respond to your following questions:

1. Is there any NCUA regulation that prohibits a credit union board of directors from defining "immediate family" to include "household members" of the primary members?
2. Does a credit union board of directors need approval from NCUA to amend its bylaws to define "immediate family" in such a manner?

Enclosed with this letter is a copy of NCUA Interpretive Ruling and Policy Statement 89-1, Chartering and Field of Membership Policy. This policy outlines the criteria and guidelines for credit unions wishing to expand their field of membership. Under this policy, the definition of "immediate family" may be generally defined as deemed appropriate by a federal credit union when including this group among those to be served.

For your reference, enclosed with this letter are some options made available to federal credit unions for defining "immediate family". These options are found in the Federal Credit Union Standard Bylaw Amendments and Guidelines on page 16. Credit unions may continue to use these options.

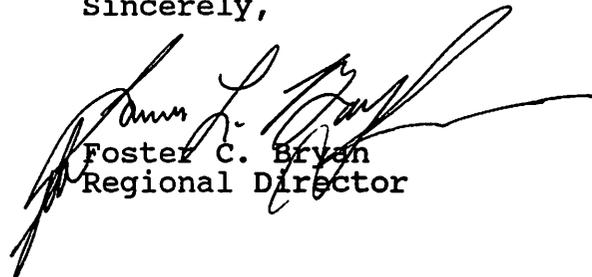
This definition was deregulated under National Credit Union Administration Letter Number 73 (copy enclosed) to allow the credit union's board of directors wide flexibility in defining who is an immediate family member. Although there is now no specific definition of "immediate family" there is the need for the credit union to have a written policy defining "immediate family".

This policy must clearly establish the parameters of who can be considered "immediate family". The definition must not be overly broad and should be in keeping with the concept of a family relationship. A weekend guest or roommates sharing an apartment should not qualify. In this respect, the element of permanency of the family relationship needs be addressed in the policy.

Further, amending the definition of "immediate family" does not require approval from NCUA. This is a decision which the board is responsible for making. It is the board's responsibility to define, as deemed appropriate, "immediate family" and to ensure that this definition is clear, reasonable and workable. The credit union should also develop procedures which will document and verify the eligibility of the individual. Each credit union should have these procedures in place which will document why an individual is eligible for membership based on an "immediate family" relationship.

If you should have any questions regarding this letter, please contact Eric Jacobsen here in the regional office.

Sincerely,



Foster C. Bryan
Regional Director

EWJ:ewj
Enclosures



LOS ANGELES FEDERAL CREDIT UNION

July 24, 1991

Mr. Tom Coleman
Executive Director
Family Diversity Project
P.O. Box 65756
Los Angeles, CA 90065

Dear Mr. Coleman:

This is in reference to the National Credit Union Association's response to our request to amend Article XVIII, Section 2.

For your information, NCUA advised us that the NCUA Board deregulated the section of the bylaws concerning immediate family. NCUA informed us that our requested change could be made by approval from our Board of Directors.

I hope this information will be helpful to you. I am willing to discuss NCUA's response to our request with other federal credit unions, if the need should arise.

Very truly yours,

LOS ANGELES FEDERAL
CREDIT UNION

Kathleen A. Nixon
Asst. General Manager

KAN:ab



LOS ANGELES FEDERAL CREDIT UNION

February 25, 1991

Mr. Foster C. Bryan, Regional Director
National Credit Union Administration
2300 Clayton Road, Suite 1350
Concord, CA 94520

Dear Mr. Bryan:

At the regular monthly meeting of the Board of Directors held on February 21, 1991, the Board reviewed a request from members regarding Article XVIII (Definitions) to permit the inclusion of "domestic partners" within the definition of "family" for the purpose of membership.

After careful consideration, the Board took action to submit for NCUA approval an amendment to Bylaws Article XVIII, Section 2(a), as follows:

Current Wording:

"Members of their immediate families" includes any relative by blood or marriage, or foster and adopted children of a credit union member who is or was an employee of the employer(s) specified in the field of membership of this credit union.

Proposed Wording:

"Members of their immediate families" includes any relative by blood or marriage, or household members, or foster and adopted children of a credit union member who is or was an employee of the employer(s) specified in the field of membership of this credit union.

Please advise if further information or clarification is needed regarding this matter.

Sincerely,

LOS ANGELES FEDERAL
CREDIT UNION

Marjean Schwartz, President
Board of Directors

MS:na



LA COUNTY CIVIC CENTER CREDIT UNION

May 16, 1991

Mr. Chris Kilbourne

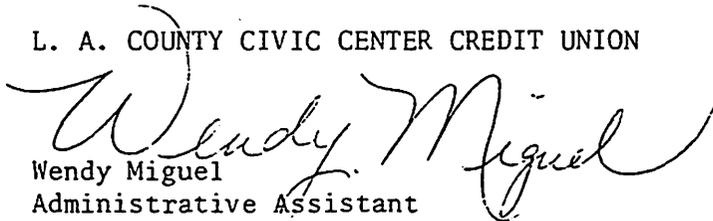
Dear Mr. Kilbourne:

Enclosed is a copy of our Bylaws, as you requested. This information is provided to you only in strict confidence.

Disclosure of any part of these Bylaws to any other party will require permission from the L. A. County Civic Center Credit Union.

Very truly yours,

L. A. COUNTY CIVIC CENTER CREDIT UNION

A handwritten signature in cursive script that reads "Wendy Miguel".

Wendy Miguel
Administrative Assistant

encl.

If your credit union's field of membership includes the phrase "members of their immediate families" your board of directors now has wide flexibility in defining who is eligible for membership under this clause. You may continue to operate under the definition contained in Article XVIII, Section 2(a) of the standard bylaws or the standard amendment definition contained in the Federal Credit Union Standard Bylaw Amendments and Guidelines (NCUA 8001A). As an alternative your board of directors may adopt the attached amendment in which your board defines, by resolution, the "Members of their immediate families" clause.

Adoption of this standard amendment requires the affirmative vote of two-thirds of the members of your board at a meeting held in accordance with Article XXI of the Bylaws. To adopt the enclosed amendment you should follow the procedures outlined in the Federal Credit Union Standard Bylaw Amendments and Guidelines (NCUA 8001A). The amendment is effective immediately upon adoption and filing of the completed resolution with your official bylaws. No notification to the National Credit Union Administration is necessary.

Sincerely,



E. F. CALLAHAN
Chairman

Enclosure



NATIONAL CREDIT UNION ADMINISTRATION
WASHINGTON, D.C. 20456

LETTER TO CREDIT UNIONS

NCUA LETTER NO. 73

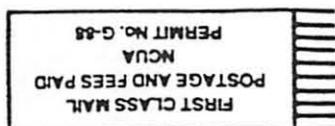
DATE: February 2, 1983

TO: THE BOARD OF DIRECTORS OF THE FEDERAL CREDIT UNION ADDRESSED:

At our January 11, 1983 meeting, the National Credit Union Administration Board approved a standard amendment to Article XVIII, Section 2(a) of the Federal Credit Union Bylaws. The purpose of this standard amendment is to give Federal credit union boards of directors flexibility in defining "Members of their immediate families" as this clause is used in the credit union's field of membership.

"Members of their immediate families" may or may not be included in your credit union's organization certificate (charter). If not included you may, if you prefer, continue to serve only the employee or association members and not their family members, or you may apply to the regional director for a charter amendment to add family members.

NCUA LETTER TO CREDIT UNIONS



National Credit Union
Administration
Washington, D.C. 20456
OFFICIAL BUSINESS
Penalty For Private Use, \$300

A typical definition of a community-based common bond is: "Persons who live or work in and businesses and other legal entities located in ABC, the area of XYZ City bounded by Fern Street on the north, Long Street on the east, Fourth Street on the south, and Elm Avenue on the west."

If the community is also a recognized legal entity, it may also be included in the field of membership—e.g., "DEF Township."

Some examples of community common bond definitions are:

a. "Persons who live or work in ABC County, Maine."

b. "Persons who live or work in and businesses and other legal entities located in Independent School District No. 1, ABC County, Minnesota."

c. "Persons who live or work within a ten-mile radius of Walnut, Illinois" (Rural areas only.)

Some examples of insufficiently defined community common bond definitions are:

a. "Persons who live or work within and businesses located within a ten-mile radius of Washington, D.C." (Not a recognized "neighborhood, community, or rural district.)

b. "Persons who live or work in the industrial section of XYZ, New York."

4. *Multiple-Group Charters.* NCUA may charter a Federal credit union to serve a combination of distinct, definable occupational and/or associational groups. However, NCUA will not charter as a single Federal credit union multiple groups which include one based on a community common bond.

In addition to general chartering requirements, special requirements pertaining to multiple-group applications must be satisfied before NCUA will grant such a charter.

a. Each group to be included in the proposed field of membership of the Federal credit union must have its own common bond.

b. Each group must individually request inclusion in the proposed Federal credit union's charter.

c. All groups must be within the operational area of a planned home or branch office of the proposed Federal credit union. "Operational area" is an area surrounding the home or a branch office that can be reasonably served by the applicant as determined by NCUA. For chartering purposes, "branch office" means any office of a Federal credit union where an employee accepts payment on shares and disburses loans. An ATM or similar cash disbursing machine does not qualify as a "branch office."

An example of a multiple-group field of membership is:

"The field of membership of this Federal credit union shall be limited to those having the following common bond:

1. Employees of DuPont Corp. who work in Wilmington, Delaware;

2. Partners and employees of the law firm of Smith & Jones who work in Wilmington, Delaware;

3. Members of the GHI Associations who live in Wilmington, Delaware, and qualify for membership in accordance with its constitution and bylaws.

8. *Other Persons Sharing Common Bond.* A number of persons by virtue of their close relationship to a common bond group may be included at the charter applicant's option in the field of membership:

a. "Spouses of persons who died while within the field of membership of this credit union";

b. "Employees of this credit union";

c. "Persons retired as pensioners or annuitants from the above employment";

d. "Members of their immediate families";

e. "Volunteers";

f. "Organizations of such persons."

"Members of their immediate families" may be generally defined as deemed appropriate by a Federal credit union when including this group among those to be served. To be made effective, however, the Federal credit union's board of directors must approve the definition by resolution, and include it in Article XVIII, Section 2, of its bylaws. The single exception is for those Federal credit unions serving student groups: only the "members of the immediate families" of students who actually join the Federal credit union may be included. NCUA defines this secondary group for student groups as follows: "Members of the immediate families of students who are members of this credit union."

Volunteers, by virtue of their close relationship with a sponsor group, may be included. Examples include volunteers working at a hospital or in a church.

Under Article II, Section 5, of NCUA's Standard Bylaws, if a member leaves the field of membership, standard member services will be terminated. However, the board of directors may, by resolution, set forth the circumstances under which a member may maintain membership. This option is commonly referred to as the "once a member, always a member" bylaw provision.

B. *Character and Fitness of Subscribers.* The Federal Credit Union

Act requires that seven or more natural persons must present to NCUA for approval a sworn organization certificate stating at a minimum:

1. The name of the proposed Federal credit union;

2. The location of the proposed Federal credit union and the territory in which it will operate;

3. The names and addresses of the subscribers to the certificate and the number of shares subscribed by each;

4. The initial par value of the shares;

5. The proposed field of membership, specified in detail;

6. The term of the existence of the corporation, which may be perpetual; and

7. The fact that the certificate is made to enable such persons to avail themselves of the advantages of the Federal Credit Union Act.

These seven or more persons will be the proposed Federal credit union's "subscribers." False statements on this certificate may be grounds for Federal criminal prosecution.

The Act also requires NCUA to satisfy itself as to the "general character and fitness" of these subscribers. These persons, therefore, may be the subject of credit and background investigations at NCUA's discretion.

C. *Economic Advisability.* Before chartering a Federal credit union, NCUA must be assured that the institution will be viable and that it will not materially affect existing state or Federal credit unions. This economic advisability inquiry has become especially important since 1970, when Congress assigned NCUA the obligation to establish a Fund insuring credit union shares and to preserve that Fund.

NCUA will conduct an independent on-site investigation for each charter application to assure itself that the proposal can be successful.

1. *The Proposed Federal Credit Union's Viability.* The success of any credit union depends on: (a) The depth of the members' support; (b) the character and fitness of management; and (c) present and projected market conditions.

a. *Member Support.* While NCUA has not set a minimum size field of membership for chartering a Federal credit union, experience has shown that a credit union with under 500 potential members generally is unlikely to succeed. A charter applicant with a proposed field of membership of under 500 will have to demonstrate convincing support for the credit union. For example, in an occupational group a commitment for significant long-term support from the employer must be in evidence.

a. "Employees of the Scott Manufacturing Company who work in Chester, Pennsylvania . . ."

b. "Employees and elected and appointed officials of municipal government in Parma, Ohio . . ."

c. "Employees of Johnson Soap Company and its majority-owned subsidiary, Johnson Toothpaste Company, who work in Augusta and Portland, Maine . . ."

d. "Personnel of fleet units of the U.S. Navy home ported at Mayport, Florida . . ."

e. "Civilian and military personnel of the U.S. Government who work or are stationed at, or are attached or assigned to Fort Belvoir, Virginia, or those who are retired from, or their dependents or dependent survivors who are eligible by law or regulations to receive and are receiving benefits or services from, that military installation . . ."

f. "Employees of these contractors who work regularly at U.S. Naval Shipyard in Bremerton, Washington . . ."

g. "Employees, doctors, medical staff, technicians, medical and nursing students who work at Boston Medical Center at the locations stated: . . ."

h. "Employees and teachers who work for the School District Number 3 in Austin, Texas . . ."

Some examples of insufficiently defined occupational groups are:

a. "Employees of engineering firms in Seattle, Washington." (No common employer; names of firms must be stated; however, may be the basis for a multiple group.)

b. "Persons employed or working in Chicago, Illinois." (No common employer; names of firms must be stated.)

c. "Persons working in the entertainment industry in California." (No common employer; names of firms must be stated.)

2. Associational Common Bonds.

NCUA limits this common bond to groups consisting primarily of individuals (natural persons) who participate in activities developing common loyalties, mutual benefits, and mutual interests. Qualifying associational groups must hold meetings open to all natural person members at least once a year, must sponsor other activities providing for contact among natural person members, and must have an authoritative definition of who is eligible for membership—usually, this will be the association's constitution and bylaws. The clarity of the associational group's definition and compactness of its membership will be important criteria in reviewing the application. NCUA policy is to organize

associational charters at the lowest organizational level which is economically feasible.

Student groups constitute an associational common bond and may qualify for a Federal credit union charter.

Associations formed primarily to obtain a credit union charter do not have a sufficient associational common bond; nor do associations based on a client or customer relationship—an insurance company's customers or a buyer's club, for example.

NCUA normally charters associational Federal credit unions consisting of natural person members. In certain instances, NCUA will allow nonnatural persons (e.g. corporate sponsor or organizations of members) to be eligible for membership.

Moreover, the common bond extends only to the association's members. The employees of a member of a local chamber of commerce, for example, do not have a sufficiently close tie to the association to be included. A proposal to include these persons among those to be served by the Federal credit union will be considered as a multiple-group charter application.

Homeowner associations, tenant groups, electric co-ops, consumer groups and other groups of persons having an "interest in" a particular cause and certain consumer cooperatives may be eligible to receive a Federal charter; however, they must make a strong showing of common activities and economic viability. Newly-organized associations must make a similar showing; experience has shown that a new group's efforts are best focused on solidifying member interest before attempting to offer credit union service.

All associational common bonds will include a definition of the group and a geographic or "operational area" limitation—unless the constitution or bylaws of the associational group limit the geographical area—e.g., "Members of the ABC Association living or working in New York, New York, who qualify for membership in accordance with its constitution and bylaws in effect on January 21, 1980."

The association itself may also be included in the field of membership—e.g., "ABC Association."

Some examples of associational group definitions are:

a. "Regular members of Locals 10 and 13, IBEW Union, Miami, Florida, who qualify for membership in accordance with their constitution and bylaws in effect on May 20, 1980."

b. "Members of the Hoosier Farm Bureau who live or work in Grant

Logan, or Lee Counties of Indiana, who . . . qualify for membership in accordance with its constitution and bylaws in effect on March 7, 1980."

c. "Members of the Mennonite Church who live or work in the State of Kansas."

d. "Members of the Shalom Congregation who live in Chevy Chase, Maryland."

e. "Regular members of the Corporate Executives Association, located in Westchester, New York, who live or work in Westchester, Rockland, and Suffolk Counties in New York, who qualify for membership in accordance with its constitution and bylaws in effect on December 1, 1985."

f. "Members of the Northern Michigan Electric Co-op located in Marquette, Michigan."

Some examples of insufficiently defined associational group definitions are:

a. "Members of military service clubs in the State of New Mexico." (No single associational tie; specific clubs and locations must be named; may be considered as multiple group.)

b. "Veterans of U.S. military service." Some examples of unacceptable associational common bonds are:

a. "ABC Buyers Club." (An interest in purchasing only does not meet associational standards.)

b. "Customers of ABC Insurance Company." (Policyholders or customer/client relationships do not meet associational standards.)

3. Community Common Bonds.

Congress has required that a credit union charter that will be based on a tie to a specific geographic location be limited to "a well-defined neighborhood, community, or rural district." NCUA policy is to limit the community to a single, compact, well-defined area where residents commingle and interact regularly. NCUA recognizes two types of affinity on which a community charter bond can be based: residence and employment. Businesses and other legal entities within the community boundaries may also qualify for membership. Given the diversity of community characteristics throughout the country and NCUA's goal of making credit union service available to all eligible groups who wish to have it, NCUA has established the following common bond requirements:

a. The geographic area's boundaries must be clearly defined; and

b. The charter applicant must establish that the area is recognized by those who live and work there as a distinct "neighborhood, community, or rural district."

NCUA INTERPRETIVE RULING AND POLICY STATEMENT

AUGUST 9, 1989

INTERPRETIVE RULING AND POLICY STATEMENT 89-1—CHARTERING AND FIELD OF MEMBERSHIP POLICY

Chapter 1—Federal Credit Union Charting

I. Goals of NCUA Charting Policy

NCUA's charting policies are directed toward achieving three goals:

- A. To uphold the provisions of the Federal Credit Union Act concerning granting Federal charters;
- B. To promote credit union safety and soundness; and
- C. To make quality credit union services available to all eligible groups who wish to have it.

II. Who May Apply for a Federal Credit Union Charter

NCUA may grant a charter to any group where it finds:

- The group possesses a recognizable and appropriate common bond;
- The subscribers are of good character and are fit to represent the group; and
- Establishment of the credit union is economically advisable—i.e., it will be a viable institution and its charting will not materially affect the interests of other credit unions or the credit union system.

Generally, these are the only criteria NCUA will look to. In unusual circumstances, however, NCUA may consider other factors, such as other Federal law or public policy in deciding if a charter should be approved.

A. *Common Bond.* Congress has recognized three types of Federal credit union common bonds: occupational, associational, and community. A Federal credit union may also consist of a combination of occupational and associational groups—for example, NCUA may charter a Federal credit union consisting of employees of a local school district and members of a church group. Individual groups have their own common bond. All of the groups belonging to one particular credit union (i.e., listed in Section 5 of the credit union's charter) make up the credit union's field of membership.

If the charter is granted, the Federal credit union will only be able to grant loans and provide services to persons within the groups defined in the charter. If the Federal credit union later wishes to add persons to its field of membership, it must submit a charter amendment request to NCUA in accordance with the procedures set forth in Chapter 2.

1. *Occupational Common Bond.*

NCUA has limited this common bond to employment by the same enterprise. Persons sharing this common bond may be geographically dispersed. Employees of a parent corporation and its wholly-owned subsidiaries and persons under contract to work regularly for an enterprise may be considered under a single occupational bond. Each category to be served (e.g., subsidiaries, contractors) must be separately listed. Persons with different employers, even if closely related geographically—persons working at a single shopping center, industrial park, or office building, for example—are not treated as having a single common bond, but will be considered under NCUA's community or multiple-group charter policies.

All occupational common bonds will include a geographic definition: e.g., "employees, officials, and persons who work under contract regularly for ABC Corporation or any of its subsidiaries, who work in Miami, Florida." Other acceptable geographic definitions are: "employees . . . who are paid from . . ." or "employees . . . who are supervised from . . ."

The employer may also be included in this common bond—e.g., "ABC Corporation and its subsidiaries." The employer will be defined in the last clause describing the group.

Some examples of occupational group definitions are:

June 1, 1991

Jimmy Sasajara, President
The Board of Directors
Los Angeles County Civic Center Credit Union,
8545 East Florence Avenue, P.O. Box 7022
Downey California, 90241-10048

Dear Mr. Sasajara and Members of the Board:

I am requesting a change in the By-laws of the Credit Union to permit the inclusion of domestic partners (long-term household members) within the definition of "families" for the purpose of membership in the organization.

I feel that your definition of "immediate families" is discriminatory against someone such as myself who has no intention to marry, but whose life partner is not eligible for membership. Our world is clearly not what once was; it is now widely accepted that there are many couples who choose not to marry, or, like gay families, cannot marry.

Domestic partnership as one definition of family is being increasingly integrated into mainstream businesses and corporations, including cities, throughout the United States and the world. For example, airlines with their frequent flier mileage bonuses, health clubs, retail membership outlets such as the Price Club, insurance companies such as Fireman's, the Los Angeles Zoo, and cities such as Los Angeles, West Hollywood, San Francisco and Seattle, to name just a few, have recognized and included domestic partner relationships in benefit programs.

I am requesting, as an individual Credit Union member, that this issue be included as an agenda item at the next meeting of the Board. I have access to the domestic partner language of other corporations which I will gladly and promptly provide you if requested.

Thank you for your assistance

Christopher Kilbourne
Membership number:



LA COUNTY CIVIC CENTER CREDIT UNION

June 4, 1991

Mr. Christopher Kilbourne

Dear Mr. Kilbourne:

I am in receipt of your letter of June 1, 1991. I have reviewed it and concluded that I must have the definition of "domestic partner" as you describe it in order to make a determination.

Very truly yours,

L. A. COUNTY CIVIC CENTER CREDIT UNION

A handwritten signature in black ink, appearing to read 'James M. Sasahara', written over a vertical line.

James M. Sasahara
President/CEO

JMS:wm

June 19, 1991

James Sasajara, President
The Board of Directors,
Los Angeles County Civic Center Credit Union
8545 East Florence Avenue, P.O. Box 7022
Downey, California 90241-10048

Dear Mr. Sasajara and Members of the Board:

In response to your request for a definition of "domestic partner" for the purposes of expanding the Credit Union's definition of "family," I would suggest that "household members" be used. This term is self explanatory and has been used by the Los Angeles Federal Credit Union, which recently ammended their bylaws at the request of Los Angeles city employees. I have attached a letter from Los Angeles Federal Credit Union which details their Board approved ammendment.

If I can be of further assistance, please contact me.
Thank you sincerely,



Christopher Kilbourne
Membership number,



LA COUNTY CIVIC CENTER CREDIT UNION

June 21, 1991

Mr. Christopher Kilbourne

Dear Mr. Kilbourne:

I am in receipt of your letter of June 19, 1991 which included the bylaw amendment from the Los Angeles Federal Credit Union regarding the definition of "domestic partner" and the suggestion you made to change it to "household member" as they did.

Since the Los Angeles Federal Credit Union is a federally-chartered credit union and we are state-chartered, I am requesting the opinion of our regulatory agency, the Department of Corporations regarding this change.

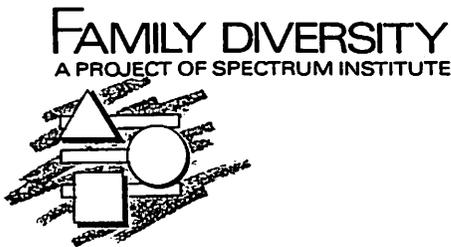
Very truly yours,

L. A. COUNTY CIVIC CENTER CREDIT UNION

A handwritten signature in black ink, appearing to read 'JMS', written over the printed name of James M. Sasahara.

James M. Sasahara
President/CEO

JMS:wm



September 12, 1991

Los Angeles County
Civic Center Credit Union
8545 E. Florence Ave.
Downey, CA 90241-0048

Attn: Mr. James Sasahara, President

Re: Amendment to By-Laws Adding the term
"Household Member" to Family Definition

Dear Mr. Sasahara:

This letter is to confirm the telephone conversation we had about two weeks ago. Mr. Christopher Kilbourne and I called you to verify the status of a proposal to expand family memberships so that a "household member" living with a primary member could also join the credit union.

You informed us that your board of directors had approved the by-law amendment on August 21, 1991. We were also informed that you had obtained an opinion from the Department of Corporations that state-regulated credit unions had the authority to expand the scope of family memberships to include "household members."

The Family Diversity Project of Spectrum Institute congratulates your board of directors for making this change in membership eligibility. Considering the many changes in family demographics over the years, this amendment makes credit union services more accessible to members regardless of their diverse family structures. In this regard, it is noteworthy that the 1990 Census has revealed that more than 20% of Los Angeles County multiple-person households contain at least one member who is not related to the other members by blood, marriage, or adoption.

We look forward to receiving a letter from you confirming the action of your board of directors and a copy of the by-law amendment. We would also appreciate receiving a copy of any written correspondence or written opinion you may have received from the Department of Corporations on this matter.

Yours truly,

THOMAS F. COLEMAN
Executive Director



LA COUNTY CIVIC CENTER CREDIT UNION

September 30, 1991

Mr. Thomas F. Coleman
Executive Director
Family Diversity
P. O. Box 65756
Los Angeles, CA 90065

Dear Mr. Coleman:

In response to your letter of September 12, 1991, please be advised that our Board of Directors and Department of Corporations have approved the amendment of our bylaws to add "un-related persons in a member's household" to our field of membership.

The credit union bylaws have been sent to the Department of Corporations, and the records can be obtained from them per the instructions of our Board of Directors.

Very truly yours,

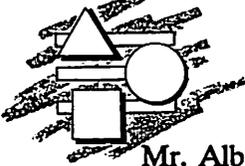
L. A. COUNTY CIVIC CENTER CREDIT UNION

A handwritten signature in black ink, appearing to read 'JMS', written over the printed name of James M. Sasahara.

James M. Sasahara
President/CEO

JMS:wm

FAMILY DIVERSITY
A PROJECT OF SPECTRUM INSTITUTE



September 12, 1991

Mr. Albert Taylor
Special Administrator
Department of Corporations
3700 Wilshire Blvd. / Suite 600
Los Angeles, CA 90010

Re: By-Laws / Membership
Definition of "Family"

Dear Mr. Taylor:

This letter is a follow up to our telephone conversation today. Thank you for verbally answering some of my questions.

The Family Diversity Project would like written clarification regarding the authority of a state-regulated credit union to expand the definition of "family" so that a "household member" of a primary member is also eligible to join the credit union.

As I mentioned, the Los Angeles City Employees Federal Credit Union recently amended its by-laws to include "household members" in its definition of "immediate family" for purposes of secondary membership eligibility. The National Credit Union Administration has given us written clarification that federally-regulated credit unions have the authority to make such a change in by-laws without prior approval from the government.

At the request of one of its members, the Los Angeles County Civic Center Credit Union has made a similar change. The president of that credit union informed me that he had obtained an opinion from your office that such an amendment was permissible under state law.

The Family Diversity Project would appreciate your opinion on the matter and looks forward to your response to the following two questions:

- (1) Does any state statute, rule, or regulation prohibit a state-regulated credit union from expanding the definition of "family" or "immediate family" to include "household members" of primary members?
- (2) Does a credit union board of directors need approval from the Department of Corporations to amend its by-laws in this manner?

Yours truly,

A handwritten signature in cursive script that reads "Thomas F. Coleman".

THOMAS F. COLEMAN
Executive Director

DEPARTMENT OF CORPORATIONS

Los Angeles, California 90010-3001
September 18, 1991



IN REPLY REFER TO:

FILE NO: _____

Mr. Thomas F. Coleman, Executive Director
Family Diversity
P. O. Box 65756
Los Angeles, CA 90065

Reference: DEFINITION OF "FAMILY"

Dear Mr. Coleman:

This is in response to your letter of September 12, 1991.

You have posed two questions to the Department:

- (1) Does any state statute, rule, or regulation prohibit a state-regulated credit union from expanding the definition of "family" or "immediate family" to include "household members" of primary members?
- (2) Does a credit union board of directors need approval from the Department of Corporations to amend its by-laws in this manner?

Section 910 of the Credit Union Regulations (California Code of Regulations) states that "(a) credit union's field of membership may include the immediate family of a member". That language was adopted in connection with an amendment to Section 910 filed on February 16, 1984 which partially deregulated the section by eliminating certain language which limited those persons who could be considered "family members". Therefore, in answer to your first question, a credit union may expand its definition of "family" or "immediate family" to include "household members" of primary members.

In answer to your section question, the Department's position is that the credit union's bylaws should be clear and specific as to who is included within the term "family" or "immediate family". Therefore, any amendment to Section 910 should be approved by this office prior to adoption, as is required by Section 908. We will approve such an amendment, provided the language clearly sets forth what is intended.

If there are any further questions on this matter, feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "A. P. Taylor". The signature is written in a cursive style with a large initial "A" and "P".

A. P. TAYLOR
Special Administrator
Credit Union Law
(213) 736-3936



JAMES K. HAHN
CITY ATTORNEY

Office of the City Attorney
Los Angeles, California

CONSUMER TASK FORCE ON MARITAL STATUS DISCRIMINATION

FINAL REPORT

"Unmarried Adults: A New Majority
Seeks Consumer Protection"

Thomas F. Coleman
Chairperson

CONSUMER TASK FORCE ON MARITAL STATUS DISCRIMINATION

Hon. James K. Hahn
City Attorney;

March 29, 1990

Hon. Tom Bradley
Mayor;

Hon. Rick Tuttle
Controller;

Hon. Members of the
Los Angeles City Council;

People of the City of Los Angeles:

The Consumer Task Force on Marital Status Discrimination is pleased to submit its final report and recommendations for your consideration.

The Consumer Task Force was convened by City Attorney James K. Hahn, with instructions to determine the extent to which businesses in Los Angeles may discriminate against unmarried consumers and to recommend ways to reduce any unjust business practices. In furtherance of that mandate, we reviewed consumer demographics, held public hearings, investigated the business practices of many companies, received numerous communications from local consumers, and conducted legal research.

We found that marital status discrimination against consumers is widespread. This is both ironic and unacceptable, considering the fact that 55% of adults in Los Angeles are unmarried and considering that marital status discrimination has been illegal in California for more than a decade.

We call on you, as our elected officials, to lead the fight against discrimination. As a relatively new majority, unmarried individuals and couples need greater legal protection from discrimination. This can be accomplished through consumer education and voluntary compliance by private sector businesses. Clarification of public policies and more vigorous enforcement of consumer protection laws are also necessary.

Through our implementation committee, we look forward to working with you to make the proposals in this report become a reality. When we issue our progress report next year, we hope that the extent of discrimination will have been reduced and the level of consumer protection enhanced.

Sincerely,



THOMAS F. COLEMAN
Chairperson

SUMMARY OF FINDINGS AND RECOMMENDATIONS

Findings of the Consumer Task Force

Demographics. The majority (55%) of adults in the City of Los Angeles are not married. Statewide, about 40% of adults are either single, divorced, separated, widowed, or live with an unmarried partner.

Extent of Discrimination. Discrimination against unmarried individuals and couples is widespread. Such discrimination is not limited to Los Angeles. It is a national problem that needs immediate attention.

Types of Discrimination. Marital status discrimination is pervasive in many industries. Various insurance companies, airlines, health clubs, lending institutions, automobile and travel clubs, newspapers, and landlords discriminate against unmarried individuals and couples. Some forms of discrimination are quite blatant while others are more subtle.

Public Policy. California has a strong public policy to protect the freedom of choice of individuals to marry, or not to marry, from outside interference, regardless of whether it may stem from the public or private sectors of society. The state's policy in favor of marriage does not imply a corresponding policy to discriminate against nonmarital relationships.

Legal Protections. Marital status discrimination has been against the law in California for more than a decade. Some statutes and regulations specifically prohibit "marital status" discrimination. Others prohibit arbitrary discrimination or unfair business practices.

Administrative Gaps. Many agencies with jurisdiction to protect consumers have not effectively addressed marital status discrimination. Most consumer protection programs focus almost exclusively on consumer fraud and virtually ignore the issue of discrimination.

Signs of Change. Efforts to end marital status discrimination against consumers can only be truly successful with the voluntary cooperation of the business community. Fortunately, there are some signs of change. Some discriminating companies have halted such practices. Others are considering changes in their corporate policies.

Consumer Education. Consumer protection depends largely on consumer education. Unfortunately, consumer education is virtually absent from the formal education of students in California's schools. An effective consumer education campaign could begin through a public/private partnership among major businesses, educational institutions, and consumer protection agencies.

Leadership. Some local elected officials and several candidates for statewide office have pledged to use their positions of leadership to protect consumers against marital status discrimination.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

Recommendations of the Consumer Task Force

HOUSING

Consumer Education. The Department of Fair Employment and Housing should mention "sexual orientation" discrimination in all of its brochures and should explain that discrimination by businesses against unmarried individuals and couples is illegal.

Expanded Investigations. The Fair Housing Councils should recruit unmarried adults to serve as volunteers. The city should contract with the Councils to conduct periodic audits to check the level of marital status discrimination in housing.

Judicial Protection. The City Attorney should file a friend-of-the-court brief in a pending case to preserve existing legal protections against a major assault by some landlords who want to discriminate against unmarried couples.

Board-and-Care Homes. Public and private agencies should promote specific regulations protecting elderly and disabled residents from marital status discrimination, educate service providers, and monitor compliance.

INSURANCE

Voluntary Compliance. Insurance companies should discontinue using marital status as an underwriting criterion and educate agents and brokers that discrimination is prohibited.

Judicial Protection. The Insurance Commissioner should vigorously defend in court the new regulations prohibiting marital status discrimination in automobile insurance underwriting. The City Attorney should join the lawsuits as a friend of the court.

Expand Regulations. The Insurance Commissioner should declare marital status discrimination as an unfair practice in all lines of insurance. Life insurance companies should be instructed to stop interfering with an applicant's right to name any beneficiary of his or her choice.

CREDIT

Credit Card Perks. The Attorney General should render an opinion as to whether or not credit institutions violate existing laws when they offer benefits to credit card holders and their spouses but not to credit card holders and their unmarried partners.

 **Credit Unions.** Credit unions should eliminate marital status discrimination from their industry by allowing unmarried partners to become members.

Another consumer complained to the Consumer Task Force about discrimination by credit unions against unmarried couples.⁷⁰ The complaint was directed at the Los Angeles City Employees Federal Credit Union. The credit union would not issue a joint automobile loan to a member and her fiance because the fiance was not also a member. The fiance could not become a member because membership is limited to city employees and their family members. The credit union's by-laws limit the definition of "family" to persons related by blood, marriage, or adoption. The Los Angeles Teachers Federal Credit Union and probably most other credit unions exclude unmarried partners from membership eligibility.

An expert in credit union law suggested a remedy to this problem.⁷¹ He informed the Consumer Task Force that credit unions are at liberty to define "family" in their by-laws in any reasonable manner. One or more members merely need to petition the board of directors at any given institution to amend the by-laws. Directors might then include "household members" in the definition of "family." If directors are resistant to this change and a majority of members disagree, new directors who favor this change may be elected.

IT IS RECOMMENDED that members, possibly through their unions, petition the boards of directors of the City Employees Federal Credit Union and the Los Angeles Teachers Federal Credit Union to expand the definition of "family" in their by-laws to include "household members" of employees.

70. Testimony of Kyle Millager, "Supplement," p. 213.

71. Testimony of Seymour Pizer, Esq., "Supplement," p. 195.

November 28, 1989

To: Members of the Consumer Task Force on
Marital Status Discrimination

Mr. Chairman and Members:

On or about June, 1989, my sister and her fiance attempted to finance the purchase of a 1986 Jeep Cherokee through the Los Angeles Federal Credit Union. Due to the fact that my sister resides in San Diego, my mother presented the application for the loan. At that time, my mother was informed that since my sister and her fiance were not married, they could not consider his income for the loan application, and literally crossed out his debt and income information on the application. However, the Credit Union did consider the mortgage payment listed jointly as a debt against her. Adding the mortgage payment to the list of other debts currently held by my sister at the time of the application put my sister over the debt ratio limit established by the Credit Union. As such, she was denied approval of the loan.

My sister has been a member of this Credit Union for a number of years. After the purchase of their home in San Diego in October of 1988, she added her fiance to her checking and savings account and he subsequently closed his accounts held with another bank. At that time, it was understood by them that they were afforded all rights as a member of this institution, including the right to apply for loans.

It should be noted that on July 12, 1989, my sister and her fiance applied for and received approval for an auto loan at American Valley Bank in San Diego. There was no discussion with this institution as to their marital status being a determining factor for approval of the loan. In addition, they subsequently opened a joint account with American Valley Bank in order to receive an additional $\frac{1}{4}$ percent point discount.

In early October, 1989, I went to the L.A. Mall branch of the Credit Union to close out their account. Upon stating to the teller what I wanted to do, she first wanted to know if my sister "was sure" she wanted to close the account. I stated that yes, she was. The teller then asked me if my sister was aware that as a member, she was afforded the same services as any City employee, even though she was not a City employee herself. I explained to her what happened with the recent loan application, and the teller stated that there were certain federal regulations that the Credit Union had to adhere to and that the Credit Union couldn't consider Roy due to the fact that they were not married. When I told her that they had in fact received approval for the loan with another banking institution, she stated that that was strange because all banking institutions were governed by the same federal regulations.

My appearance before this Task Force is not to unfairly put blame on the Credit Union for their (what we believe to be) unfair practice. I personally have had no problems with my dealings with the Credit Union in the past. I only hope that this incident will be afforded an investigation and that the Credit Union will cease the requirement that only married couples may file for joint loans.

Thank you for your time and courteous attention.

SEYMOUR PIZER: WITNESS

Summary of testimony: There are federally chartered credit unions and state licensed credit unions. The differences relative to the issue before us today are few so we really do not need to address state versus federal today. The board of directors of a credit union can define immediate family to included persons not related by blood or marriage. The states and federal government would also allow a credit union to change to this more broad definition. Some clients want to write and get a definition of immediate family. We suggest that they do not since the definition is very fluid presently and not explicitly defined. Both supervisory agencies do not wish to give any concrete definitions.

MR. COLEMAN: Could you clarify who credit unions can serve based upon the definition of "immediate family"?

RESPONSE: Credit unions do not serve the public. Everything about them evolves from this very premise. Credit unions are there to serve members and the immediate family of these members. It really is not necessary to get political approval to include domestic partners because the definition reads "Immediate family members are defined as___" (Mr. Pizer indicated that the definition has a blank line). Thus it is open to the each credit union's discretion. The only credit union told that their definition was too broad to my knowledge tried to put "the brotherhood of man" as the membership group. This is an extreme case.

Return to testimony:

The present definition needs to have "and a domestic partner of a member" added on. This will require some negotiation with the credit unions. They will be concerned about what is best for their interests. There will be seemingly simply details that will cause problems such as account numbering systems, loan evaluations etc. You should go to the boards of the credit unions and to management and discuss the situation. If this fails, then it becomes an election issue. At every election, you would put up candidates until you have representation. Then to make it part of the by-laws, the board can add the domestic partner clause as an amendment. Such a definition of immediate family members does not need to be submitted to a national or state authority. However if an examiner stumbles upon the issue, then the definition could be questioned. I really do not see any legal impediments to what you are trying to achieve. I see some diplomatic and bureaucratic barriers.

Questions and responses:

MR. COLEMAN: I think it may be helpful to run some of this by the unions so that we do not do something in good faith and have it fail because certain participants in the system were not involved.

MR. DONOVAN: You said "roommates come and go". Often husbands and wives come and go as well. Does the hierarchy of words used, progressing from spouse to family to domestic partner make an implicit judgement as to the importance of each group and does this have any effect on changing policies as per our recommendations?

RESPONSE: By Mr. Coleman: I think that there is resistance to definitions which require staff time to evaluate. On the other

hand, people will not utilize the system if they have to expose their sexuality, for example by using a term such as "household associate". Then a minimum time together may need to be defined. I think it will come down not to moral questions but rather practical considerations of what will work.

KYLE MILLAGER, WITNESS

Please see text of testimony on page 213 of the Supplement.

Questions and Responses:

MR. COLEMAN: I can assure you that we will send a letter to the credit union and ask their attorneys to respond. I was very surprised by your example of discrimination since in my review of the case law, I found that lending institutions must treat an unmarried couple in the same way as a married couple.

WITNESS RESPONSE: Yes, my sister's fiancée's name was even listed on the checks and as a cosigner on the account. I consider it offensive that they would not consider his income for the loan but they did consider his debt for the joint purchase of the house.

Subject: Good News from our Credit Union

Date: Wed, 20 Aug 1997 17:22:15 -0700

From: Barbara Ackermann and Cate Heneghan <bhanch@earthlink.net>

To: domestic@cs.cmu.edu

I just received a letter from the president of the Caltech Employees Federal Credit Union (CEFCU). He says:

I am pleased to inform you that on August 19, 1997, The Credit Union Board of Directors voted to allow membership for Domestic Partners.

The Credit Union has amended its definition of "Immediate Family" to allow for this membership. The definition now allows "any one adult who the primary member deems significant living within the same household as the primary member" to join the Credit Union. Further, a "significant" individual is defined as: 1) Residing with the member in a long-term relationship, in which the individuals share the necessities of life and agree to be financially responsible for each others [sic] well-being, including such expenses as basic living expenses, and each others [sic] debts to third parties, and 2) has resided with the member for a period of one year prior to applying for CEFCU membership.

We will be prepared to open new accounts beginning September 10, 1997. This time is necessary to adequately prepare for and communicate this change with our staff. Thank you for your

loyalty

and support of your [his emphasis] Credit Union.

I'm not so happy about the definition they chose, but it does seem to be in keeping with the definitions used by other credit unions.

I also wanted to share the feedback I got from this list about other CUs that offer membership to DPs:

Selco Credit Union in Eugene, Oregon.

Extends membership benefits to any one adult in the household who the primary member deems significant. Not specifically for domestic partners, but inclusive of them.

The Chevron Federal Credit Union.

Has offered membership to "household members" since 1993. Apparently the Credit Union was pleased to have the extra business and the change in policy was "very successful."

Xerox Federal Credit Union.

Extends membership to DPs.

Michigan State University Federal Credit Union

Offers membership to DPs.

Caltech Employees Federal Credit Union, La Canada-Flintridge, CA

Extends membership benefits to any one adult in the household who the primary member deems significant.

See next page for information about Spectrum Institute

And a resource booklet on the topic:

Spectrum Institute (SI)

Has a 35-page booklet on the subject of credit union membership and the definition of family. It is entitled: "Credit Unions are expanding family membership." It is a guide for credit union management and members on how to broaden membership criteria, including official rulings and by-law amendments approved by federal and state regulators.

SI worked with members of a federally-chartered credit union and a California-chartered union and both changed their by-laws to allow for unmarried household members to join as family members of a primary member. The booklet contains the correspondence between member and credit union, as well as rulings from state and federal regulators.

\$10 covers the costs of copying, shipping, and handling.

Spectrum Institute
P.O. Box 65756
Los Angeles, CA 90065
(213) 258-8955

Thanks very much for your help.

Cate Heneghan