

**CREDIT UNION ACT (EXCERPT)**  
**Act 215 of 2003**

**490.352 Domestic credit union; membership; composition; field of membership; application; approval by commissioner; revision; extension.**

Sec. 352. (1) The membership of a domestic credit union is comprised of each person that organized the domestic credit union, and each person that meets all of the following:

- (a) The person belongs to a group of persons that is within the domestic credit union's field of membership.
- (b) The person is accepted by the domestic credit union as a member.
- (c) The person pays any entrance or membership fee required by the domestic credit union.
- (d) The person pays for 1 or more shares, including a membership share if the domestic credit union requires ownership of a membership share.
- (e) The person complies with any other requirement for membership contained in the domestic credit union's bylaws.

(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:

(a) One or more groups of any size that have a common bond of occupation, association, or religious affiliation.

(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.

(c) One or more groups whose common bond is common interests, activities, or objectives.

(3) One or more credit unions may serve 1 or more groups described in subsection (2).

(4) A credit union board that establishes or revises the field of membership of the domestic credit union shall submit the proposed or revised field of membership to the commissioner for approval on an application form provided by the commissioner. The commissioner shall promptly notify an applicant when he or she determines that an application is complete and the date of that determination. If the application seeks to revise a field of membership to include 1 or more groups described in subsection (2)(b), the commissioner may require that the applicant provide additional information regarding the common bond of persons within the proposed geographical area or areas. The commissioner shall establish standards for obtaining this additional information.

(5) The commissioner has 60 days after the date of determination described in subsection (4) to approve or disapprove of an application under subsection (4). In reviewing an application under subsection (4), the commissioner must first determine whether the proposed field of membership meets the common bond requirements of subsection (2). If the commissioner determines that the proposed field of membership does meet the common bond requirements of subsection (2), then the commissioner may only disapprove of the application on the basis of safety and soundness of the domestic credit union. If the commissioner does not approve or disapprove of the application, or extend the 60-day period under subsection (6), within that 60-day period, the application is considered approved as of the day after the 60-day period.

(6) The commissioner may extend the 60-day period described in subsection (5) for 1 or more additional 60-day periods for administrative reasons or to allow for public comment if the commissioner delivers notice of each 60-day extension in writing to the domestic credit union before the 60-day period and any prior 60-day extensions expire. An extension notice shall explain the reason for the extension. If the commissioner does not approve or disapprove of the application, or grant an additional 60-day extension, within a 60-day extension period, the application is considered approved as of the day after the 60-day extension period. The commissioner may grant any number of 60-day extensions, but the domestic credit union may treat any extension after the third 60-day extension as a disapproval of the application and may pursue any administrative or legal remedies available for a disapproval.

(7) If authorized in the bylaws of the domestic credit union, a member that is no longer in the field of membership of the domestic credit union because the field of membership is revised under this section, or the member leaves the field of membership, may continue as a member, on the same basis as any other member, or on a different basis if the bylaws establish a different basis for that continued membership.

(8) A domestic credit union shall respond to an application for membership within 30 calendar days after receiving it. If the domestic credit union determines that there is a sound business reason for the action, a domestic credit union may deny membership to any applicant for membership.

**History:** 2003, Act 215, Eff. June 1, 2004;—Am. 2004, Act 471, Imd. Eff. Dec. 28, 2004.