

STATE OF MINNESOTA

DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS

REQUIREMENTS TO AMEND THE FIELD OF MEMBERSHIP THE ADDITION OF A COMMUNITY

Field of membership amendments, that parallel those allowed federal credit unions, are permitted based on parity provisions of Minnesota Statutes, Section 52.04, subd. 3 and membership qualification provisions of 52.05, subd. 1. The process is initiated by a request from the board to amend the bylaws to add a defined community or convert to a community charter. A \$50 fee payable to the “**Department of Commerce**” is required with the following supporting documentation:

- I. Narrative Request Explaining the Proposed Change to the Field of Membership
 - State the statutory authority for the proposal.
 - Describe existing field of membership.
 - Describe the proposed field of membership and submit a bylaw amendment adding the proposed community.
 - Describe how the change would benefit existing members.
 - Explain the rationale for the request.
- II. Define the Community¹
 - The geographic boundaries must be clearly defined by:
 - Single political jurisdiction, or
 - Multiple contiguous political jurisdiction
 - Support of a well-defined community requires:
 - Evidence of political jurisdiction(s) and population
 - Regional or state maps with the proposed community outlined and another map identifying geographic characteristics of the surrounding areas.
 - Documentation to support that the area is a “well defined” local community, neighborhood, or rural district.
 - Applicant must demonstrate the relevance of documentation provided supports the application.
 - Must explain how the documentation demonstrates interaction or common interests.
 - Establish that the residents have common interests or interact.
- III. Provide the following data that will Demonstrate Service the Geographical Area¹
 - Current financials.
 - Proforma financials, 2 year minimum with assumption for growth and costs to service the trade area.
 - Business and Marketing plans.
 - Financial services to be provided.
 - Location of service facilities (use maps).
 - Anticipated financial impact – employees/assets.

The Commissioner must approve or deny the request within 60 days after submission of an informationally complete application.

¹ This process is authorized by parity with federal credit unions and is described in the NCUA Chartering and Field of Membership Manual. Go to <http://www.ncua.gov> and the guide can be found under reference information. Chapter V addresses community charter requirements.