

DATE: June 28, 2021
BULLETIN: 2021-KDCU-CUB-13
TO: Kansas Chartered Credit Unions
SUBJECT: Field of Membership

FIELD OF MEMBERSHIP

On February 25, 2021, Governor Laura Kelly signed into law [SB 15](#), which includes a change to the Kansas field of membership statute, K.S.A. 17-2205. The changes will go into effect on July 1, 2021. The Kansas Department of Credit Unions (KDCU) has placed updated field of membership forms on its [homepage](#). While the change allows a credit union to expand their field of membership, K.S.A. 17-2205(e)(2) states “(n)o geographic area shall consist of the entire state of Kansas.”

Forms which have been modified include the (1) Application for Change in Field of Membership, (2) Certificate of Bylaw Amendment, and (3) Field of Membership Application Checklist and Publication Notice. Credit union boards may vote on expanding their field of membership on or after the bill’s effective date.

In addition to proof of publication, a credit will need to submit to KDCU the following in support of its application:

- documentation showing the proposed area or groups to be served meets the statutory requirements for field of membership as set forth in K.S.A. 17-2205;
- pro forma financial statements for the first two (2) years after the proposed alteration of or change in field of membership, including any assumption regarding growth in membership, shares, loans and assets;
- marketing plan addressing how the proposed field of membership will be served;
- financial services to be provided to members;
- a local map showing the location of both the current and proposed headquarters and branches; and
- anticipated financial impact on the credit union in terms of need for additional employees and fixed assets.

It is important for credit union boards and management to make financially-supported decisions when determining whether to expand their field of membership.

NOTE: Administrator Vickie Hurt has determined the Kansas Department of Credit Unions (KDCU) will begin a return to on-site credit union examinations effective July 1, 2021. In determining the appropriate number of on-site and remote examiners, a variety of factors will be used; however, a minimum of two (2) examiners should be expected. If your credit union has questions, please contact [Administrator Hurt](#).