



# ***DCU BULLETIN***

***Division of Credit Unions***

***Washington State Department of Financial Institutions***

***Phone: (360) 902-8701***

***FAX: (877) 330-6870***

---

July 17, 2013

No. B-13-12

---

## **Model Bylaws Project is on Hold and Thursday, July 18 Teleconference is canceled**

On July 2, 2013, the Director of Credit Union announced a work group to review the model bylaws for Washington state chartered credit unions. The purpose of the work group was to comment on draft housekeeping changes to ensure the model bylaws are in compliance with all Washington Credit Union Act amendments since 2001, including the most recent amendments in Senate Bill 5302 (2013 c 34), effective July 28, 2013. The members of the work group are listed in Bulletin B-13-08.

Members of the work group recommended to the Director of Credit Unions to put the project on hold and cancel the planned teleconference for Thursday, July 18, 2013. Members found several areas that need to be changed in the bylaws that are unrelated to the 2013 legislation. The group recommended a thorough review of the model bylaws to be conducted which will take an extended period of time to identify and reach consensus on the changes. The Northwest Credit Union Association volunteered to form a committee to modernize the model bylaws and may use the 2011 CUNA model bylaws for suggested revisions.

After consideration of all comments, the Director of Credit Unions agreed to put the model bylaw project on hold and cancel the teleconference scheduled for Thursday, July 18, 2013. The Director agreed with the following:

- A thorough review of the model bylaws should be undertaken to identify areas that are unrelated to the 2013 legislation but need to be updated, such as the field of membership (FOM) section to comply with the FOM rule revised in 2002;
- It may be helpful, especially for small credit unions, to note which portions of the bylaws are required under the Act and which are not required; and
- Given the complexity and scope of potential bylaw changes, it is appropriate for the Director to delay the issuance of model bylaws until a more thorough review and revision process can be completed.

The Director will work with the Northwest Credit Union Association's committee, when it is formed, to modernize the model bylaws for Washington state chartered credit unions.

The model bylaws are offered as a resource for credit unions and potential organizers of new credit unions. The Washington Credit Union Act (Act) does not require a Washington state chartered credit union to adopt the model bylaws. While the bylaws must conform to the provisions of the Act, there are many areas that can be tailored to suit individual credit union practices.

Credit unions should still review the list of suggested revisions to bylaws as published in Bulletin B-13-10, dated July 12, 2013, to use as reference for amending their bylaws in compliance with Senate Bill 5302 (2013 c34).

If you have any questions about the amendments to the Washington Credit Union Act, please contact the Director of Credit Unions Linda Jekel at [Linda.Jekel@dfi.wa.gov](mailto:Linda.Jekel@dfi.wa.gov) or (360) 902-8778.