

## **DCU Opinion Number 99-3**

**Date: November 30, 1999**

**From: J. Parker Cann, Assistant Director**

**Subject: Once A Member, Always A Member**

### **Issue**

Does the “once a member, always a member” principle apply to Washington State-chartered credit unions? That is, if an individual who has joined a credit union ceases to be part of a group in the credit union’s field of membership (FOM), can the individual continue to be a member of the credit union?

### **Analysis**

An example will help illustrate the issue here. The following steps are in chronological order:

1. Joe becomes an employee of ABC Company, and consequently is eligible to join Friendly Credit Union. The credit union’s FOM bylaws permit certain family members to join, including siblings. Consequently, Joe’s sister Jane is also eligible to join the credit union.
2. Joe joins the credit union. Joe is considered to be the primary member in this example.
3. Some time later, Joe resigns from ABC Company, but retains his membership in the credit union. The credit union’s bylaws do not require Joe to terminate his membership because he left ABC.

The issue here is: Can Joe continue to be a member of the credit union? The Division has previously taken the position that the “once a member, always a member” principle applies, unless the credit union's bylaws provide otherwise. That is, once a person joins the credit union, the person can retain credit union membership, even though the person is no longer part of one of the credit union’s FOM groups. (Of course, the person is subject to expulsion by the credit union in accordance with applicable law and the credit union’s bylaws.) In our hypothetical, that means Joe can continue his membership in the credit union even though he is no longer employed by ABC.

The NCUA staff also reached the same conclusion for federal credit unions. See, e.g., NCUA Opinion Letter No. 95-0214, dated August 1, 1995, by Richard S. Schulman.

### **Conclusion**

Yes, the “once a member, always a member” principle applies to Washington State-chartered credit unions, unless the credit union's bylaws provide otherwise.