



DCU BULLETIN

Division of Credit Unions

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Division Increases Maximum Size of SOG Groups to 500 Persons

Under Division rules, state credit unions with an approved small occupational group (SOG) bylaw amendment may add SOGs that meet certain restrictions to their field of membership (FOM) without prior Division approval. See WAC 208-472-041. Among these restrictions is a size limit - each SOG may not exceed 100 persons, or a higher number authorized by the Division. The SOG provision was added to Division rules in 1996, and the initial 100-person maximum was increased to 200 in March 1999. See DCU Bulletin No. B-99-8.

In October 2000, the NCUA amended IRPS 99-1 to increase from 200 to 500 the maximum size of small occupational and associational groups that may be added by federally-chartered credit unions to their FOM under the NCUA's streamlined procedure, without regard to overlaps.

We believe that it is appropriate for state credit unions to be able to serve new groups of similar size using streamlined procedures. Consequently, the Division is increasing the maximum size of SOGs from 200 to 500 persons. This change takes effect as of the date of this Bulletin. No other restrictions on SOGs are affected.

However, the Division intends to begin a rule-making proceeding to consider changes to its SOG rule to make it more consistent with the NCUA rule. The Division will consider amending its SOG rule to allow credit unions to:

1. Use the SOG procedure to add associational groups with up to 500 primary members; and
2. Allow credit unions to add occupational and associational groups up to 500 persons without regard to overlaps.

As usual, the Division will notify credit unions when it begins the rule-making proceedings.