

## CHAPTER 181—H.F.No. 792

*An act relating to credit unions; permitting certain groups to join existing credit unions; amending Minnesota Statutes 1986, section 52.05.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1986, section 52.05, is amended to read:

52.05 MEMBERSHIP.

Subdivision 1. REQUIREMENTS. Credit union membership consists of the incorporators and other persons as may be elected to membership and subscribe to at least one share as designated by the board of directors, pay the initial installment thereon and the entrance fee if any. In addition to a regularly qualified member, the spouse of a member, the blood or adoptive relatives of either of them and their spouses may be members. When an individual member of a credit union leaves the field of membership, the member, and all persons who became members by virtue of that individual's membership may continue as members. The surviving spouse of a regularly qualified member, and the blood or adoptive relatives of either of them and their spouses may become members. Organizations, incorporated or otherwise, composed for the most part of the same general group as the credit union membership may be members. Credit unions chartered by this or any other state, or any federal credit union may be members. Credit union organizations shall be limited to groups, of both large and small membership, having a common bond of occupation, or association, or to residents within a well-defined neighborhood, community, or rural district.

Subd. 2. APPLICATION. Any 25 residents of the state representing a group may apply to the commissioner, advising the commissioner of the common bond of the group and its number of potential members, for a determination whether it is feasible for the group to form a credit union. Upon a determination that it is not feasible to organize because the number of potential members is too small, the applicants will be certified by the commissioner as eligible to petition for membership in an existing credit union ~~geographically situated to adequately service~~ capable of serving the group. If the credit union so petitioned resolves to accept the group into membership, it shall follow the bylaw amendment and approval procedure set forth in section 52.02.

The commissioner shall adopt rules to implement this subdivision. These rules must provide that:

(1) for the purpose of this subdivision, groups with a potential membership of less than 1,500 will be considered too small to be feasible as a separate credit union, unless there are compelling reasons to the contrary, relevant to the objectives of this subdivision;

(2) groups with a potential membership in excess of 1,500 will be considered in light of all circumstances relevant to the objectives of this subdivision; and

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(3) all group applications, except for applications from groups made up of members of existing credit unions or groups made up of people who have a common employer which qualifies them for membership in an existing credit union, will be considered separately from any consideration of the membership provisions of existing credit unions; except that, groups made up of members of an existing credit union may be certified under this subdivision with the agreement of the credit union.

Approved May 20, 1987

---

### CHAPTER 182—H.F.No. 799

*An act relating to Koochiching county; permitting the county to establish an economic development authority and a pilot bidstead development authority.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **KOOCHICHING COUNTY; BIDSTEAD AND ECONOMIC DEVELOPMENT AUTHORITY.**

Subdivision 1. PURPOSE; PROGRAM. The legislature finds problems of declining population and depressed economic conditions exist in Koochiching county caused by the steady decline in jobs relating to farming and logging. These problems have impaired the value of private investments in the county and threaten sources of public revenue, causing underutilization of schools, other public facilities and land located in existing service corridors. It is found that these factors are injurious to the stability, health, safety, and welfare of the residents of the county.

It is, therefore, in the public interest to establish a public program to encourage the homesteading of land serviced by existing public services and facilities, to encourage people with transferable livelihoods to establish residences within the county, to stabilize or increase the tax base, increase employment opportunities, alleviate problems of economic depression and declining population, and assure the stability of the community and the availability of governmental services and facilities.

It is hereby declared that the activities necessary to implement the public program to be known as the bidstead program, which activities cannot be accomplished by private enterprise alone, constitutes a public purpose.

Subd. 2. PROGRAM. The Koochiching county bidstead authority may acquire real property from Koochiching county or any other source. The authority may enter into contracts with individuals under which the authority will permit the individual to reside on a parcel of land, not to exceed 40 acres, held by the authority if the individual agrees to:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.