

July 20, 2000

Wendell S. Brooks, President
Pinellas County Teachers Credit Union
P.O. Box 2650
Largo, Florida 33779-2650

Re: Reimbursement of Travel Expenses for Director's Companion,
Your letter dated May 10, 2000.

Dear Mr. Brooks:

You have asked this office to reconsider its position regarding the NCUA regulation that permits a federal credit union (FCU) to reimburse travel costs for officials and one immediate family member per official. 12 C.F.R. §701.33(b)(2)(i). You suggest that this office should interpret this regulation more broadly to permit reimbursement for a guest who is not an immediate family member.

We note as a preliminary matter that, although you are writing on behalf of a state-chartered credit union, this is an issue on which you indicate your state regulator defers to the NCUA.

Section 701.33(b)(2)(i) permits an FCU to reimburse an FCU official for expenses related to credit union travel for the official and "one immediate family member."

The NCUA Board previously considered and rejected a change to the rule to allow reimbursement for "a guest (an adult over eighteen years of age, significant other, accompanying person, associated individual)" and instead used the term "immediate family member." 57 Fed. Reg. 54499, 54502 (November 19, 1992)(copy attached). The rule allows the FCU to define "immediate family member," but that definition requires a familial relationship, as explained in the letter dated August 25, 1998, from me to Ben Roth.

Sincerely,

Sheila A. Albin
Associate General Counsel

GC/MFR:bhs
SSIC 6010
00-0524

Enclosure

cc: Region III
Sharon Whiddon, Financial Administrator
Office of the Comptroller, State of Florida