

**CREDIT UNION MEMBER ACCESS TO
INFORMATION**

2001 GENERAL SESSION

STATE OF UTAH

Sponsor: Thomas V. Hatch

This act modifies the Credit Union Act to provide that members of credit unions have access to certain information related to compensation and expense reimbursement of executives of credit unions.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

7-9-14, as enacted by Chapter 16, Laws of Utah 1981

7-9-24, as last amended by Chapter 182, Laws of Utah 1996

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **7-9-14** is amended to read:

7-9-14. Meetings.

(1) The annual meeting of the credit union shall be held at such time and place as the bylaws prescribe.

(2) Special meetings may be held as the bylaws prescribe.

(3) Notice of all meetings of the credit union shall be given as the bylaws prescribe.

(4) In the absence of any provisions in the bylaws, special meetings of the members of the credit union may be called by a majority of the members of the corporation.

(5) (a) In accordance with rules made by the commissioner, at least 30 days before an annual meeting of the credit union, the credit union shall make available to a member of the credit union at the request of that member the list of members of the credit union to whom the credit union sent notice of the annual meeting.

(b) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commissioner shall make rules to provide the requirements under this Subsection (5) regarding the



28 manner of providing the list of members required to be provided under Subsection (5)(a).

29 Section 2. Section **7-9-24** is amended to read:

30 **7-9-24. Compensation of directors, committee members, and president -- Expense**
31 **reimbursement.**

32 (1) A member of the board of directors, credit committee, or supervisory committee may
33 not receive any compensation for services [~~as such~~], except that the reimbursement of reasonable
34 expenses incurred in the execution of the duties of the position may not be considered
35 compensation.

36 (2) Any member of a credit union who incurs any expenses or performs any service
37 authorized by the board of directors may be compensated or reimbursed for the expenses or
38 services in an amount approved by the board of directors.

39 (3) The board of directors shall determine the compensation for a president appointed as
40 general manager.

41 (4) (a) In accordance with rules made by the commissioner, a credit union shall make
42 available to any member of the credit union at the request of that member:

43 (i) the expenses compensated or reimbursed by the credit union in accordance with
44 Subsection (1) or (2);

45 (ii) expenditures by the credit union made for the benefit of the board of directors; or

46 (iii) the amount of compensation, expenditures, or reimbursed expenses paid by the credit
47 union to the five highest compensated officers or executives of the credit union.

48 (b) This Subsection (4) may not be considered to limit the rights of members provided:

49 (i) in any other provision of this chapter; or

50 (ii) under Title 16, Chapter 10A, Utah Revised Business Corporation Act.

51 (c) The commissioner shall make rules in accordance with Title 63, Chapter 46a, Utah

52 Administrative Rulemaking Act, to provide the requirements under this Subsection (4) regarding:

53 (i) the timing of providing information;

54 (ii) the manner of providing information; and

55 (iii) the scope of information to be provided.

Legislative Review Note
as of 2-8-01 10:14 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel