

1 **REVISIONS TO THE UTAH CREDIT UNION**

2 **ACT**

3 2005 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: LaVar Christensen**

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies the Utah Credit Union Act.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ provides legislative findings and requirements regarding the member owned and
13 controlled, cooperative and nonprofit nature of credit unions;
14 ▶ modifies definition provisions;
15 ▶ deletes the ability of a credit union to not have its shares and deposits insured by the
16 National Credit Union Administration including deleting related references; and
17 ▶ makes technical changes.

18 **Monies Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 None

22 **Utah Code Sections Affected:**

23 AMENDS:

24 **7-9-2**, as enacted by Chapter 16, Laws of Utah 1981

25 **7-9-3 (Contingently Superseded 05/02/05)**, as last amended by Chapter 327, Laws of
26 Utah 2003

27 **7-9-6**, as last amended by Chapter 327, Laws of Utah 2003



28 7-9-20 (Contingently Superseded 05/02/05), as last amended by Chapter 327, Laws of
29 Utah 2003

30 7-9-39 (Contingently Superseded 05/02/05), as last amended by Chapter 327, Laws of
31 Utah 2003

32 7-9-45, as last amended by Chapter 329, Laws of Utah 1999

33 7-9-48, as last amended by Chapter 329, Laws of Utah 1999

34 ENACTS:

35 7-9-2.5, Utah Code Annotated 1953



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

38 Section 1. Section 7-9-2 is amended to read:

39 **7-9-2. Legislative findings -- Description of credit unions.**

40 (1) The Legislature finds that:

41 (a) credit unions:

42 (i) are established participants and contributors to a strong and healthy financial
43 institution industry in Utah; and

44 (ii) provide valuable financial services and products to the citizens of the state;

45 (b) because taxes on income are constitutionally earmarked in this state for the funding
46 of public education, the Legislature grants exemptions from paying taxes on income only when
47 countervailing public policy considerations warrant an exemption; and

48 (c) credit unions are exempt from paying taxes on income because of the unique nature
49 of credit unions as member owned and controlled nonprofit cooperatives that fulfill the
50 purposes described in Subsections (2) and (3).

51 (2) A credit union is a member owned and controlled cooperative[;] and nonprofit
52 association, incorporated under this chapter to:

53 (a) encourage thrift among its members[;to];

54 (b) create sources of credit at fair and reasonable rates of interest[;]; and [to]

55 (c) provide an opportunity for its members to use and control their resources on a
56 democratic basis in order to improve their economic and social condition.

57 (3) Essential to the fulfillment of a credit union's fundamental mission is a meaningful
58 affinity and bond among members, manifested by:

59 (a) a commonality of routine interaction, which includes residency in a geographic area
60 permitted under Section 7-9-51; or

61 (b) shared and related:

62 (i) work experiences; or

63 (ii) recognized and identifiable interests or purposes.

64 (4) An essential characteristic of a member owned and controlled cooperative and
65 nonprofit association as described in Subsections (2) and (3) is meaningful control by the
66 members over the net income of the credit union after statutorily required reserves are satisfied
67 and allowing for favorable interest rates for member loans and deposits so that the members
68 have a substantive and informed choice whether to:

69 (a) return excess net income to the members as cash dividends; or

70 (b) use net income to fund further capital improvements and expansion of the credit
71 union's operations as may be permitted by law.

72 Section 2. Section 7-9-2.5 is enacted to read:

73 **7-9-2.5. Democratic governance.**

74 (1) (a) To comply with the requirements of Subsection 7-9-2(4), a credit union shall
75 provide an opportunity for its members to vote on how the net income of the credit union is
76 used after statutorily required reserves are satisfied.

77 (b) The vote required by this Subsection (1) shall occur as frequently as determined by
78 the board of directors of the credit union, but no less than once each calendar year.

79 (2) A credit union shall make a list of all of its members with contact information
80 available to any member of the credit union upon written request of the member:

81 (a) subject to the requirements of Subsection 16-6a-1602(3); and

82 (b) so that the members of the credit union may communicate with each other
83 regarding credit union matters and the democratic governance of the credit union to which the
84 members belong.

85 Section 3. Section 7-9-3 (Contingently Superseded 05/02/05) is amended to read:

86 **7-9-3 (Contingently Superseded 05/02/05). Definitions.**

87 As used in this chapter:

88 (1) (a) "Association" means a group of persons that:

89 (i) constitute the members of a formal association organized for:

- 90 (A) an identifiable interest that is consistent with this chapter;
- 91 (B) an identifiable purpose that is consistent with this chapter;
- 92 (C) a specific profession; or
- 93 (D) a specific occupation; or
- 94 (ii) are employed by a common employer.
- 95 (b) "Association" does not include a group of persons that is:
- 96 (i) identified or created primarily on the basis of a relationship between any person
- 97 and:
- 98 (A) a consumer;
- 99 (B) a customer; or
- 100 (C) a client; or
- 101 (ii) created primarily for the purpose of expanding the membership in a credit union.
- 102 (2) "Capital and surplus" means:
- 103 (a) shares;
- 104 (b) deposits;
- 105 (c) reserves; and
- 106 (d) undivided earnings.
- 107 (3) "Corporate credit union" means any credit union organized pursuant to any state or
- 108 federal act for the purpose of serving other credit unions.
- 109 (4) "Credit union service organization" means an entity:
- 110 (a) that provides any of the services listed in Subsection 7-9-59(2); and
- 111 (b) in which a credit union organized under this chapter holds an ownership interest.
- 112 (5) "Deposits" means that portion of the capital paid into the credit union by members
- 113 on which a specified rate of interest will be paid.
- 114 (6) "Field of membership" means persons designated as eligible for credit union
- 115 membership in accordance with:
- 116 (a) Section 7-9-51 or 7-9-53; and
- 117 (b) the bylaws of the credit union.
- 118 (7) "Immediate family" means parents, spouse, surviving spouse, children, and siblings
- 119 of the member.
- 120 (8) (a) "Member-business loan" means any loan, line of credit, or letter of credit, the

121 proceeds of which will be used for:

122 (i) a commercial purpose;

123 (ii) other business investment property or venture purpose; or

124 (iii) an agricultural purpose.

125 (b) "Member-business loan" does not include an extension of credit:

126 (i) that is fully secured by a lien on a one- to four- family dwelling that is the primary
127 residence of a member;

128 (ii) that is fully secured by:

129 (A) shares or deposits in the credit union making the extension of credit; or

130 (B) deposits in other financial institutions;

131 (iii) the repayment of which is fully insured or fully guaranteed by, or where there is an
132 advance commitment to purchase in full by, an agency of:

133 (A) the federal government;

134 (B) a state; or

135 (C) a political subdivision of a state; or

136 (iv) that is granted by a corporate credit union to another credit union.

137 (9) "Nonexempt credit union" means a credit union that is a nonexempt credit union
138 under Section 7-9-55.

139 (10) "Share drafts," "deposit drafts," and "transaction accounts" mean accounts from
140 which owners are permitted to make withdrawals by negotiable or transferable instruments or
141 other orders for the purpose of making transfers to other persons or to the owner.

142 (11) "Shares" means that portion of the capital paid into the credit union by members
143 on which dividends may be paid.

144 Section 4. Section 7-9-6 is amended to read:

145 **7-9-6. Formation of corporation to conduct credit union -- Approval of**
146 **commissioner.**

147 (1) (a) Ten or more incorporators belonging to the same group of 200 persons or more
148 having a field of membership may, with the approval of the commissioner, form a corporation
149 to conduct a credit union under:

150 (i) this chapter;

151 (ii) Title 16, Chapter 10a, Utah Revised Business Corporation Act; and

152 (iii) Chapter 1, General Provisions.

153 (b) This chapter takes precedence over conflicting provisions of other state law
154 governing:

155 (i) the formation of the corporation; and

156 (ii) the duties and obligations of:

157 (A) the corporation;

158 (B) the corporation's officers; and

159 (C) the corporation's shareholders or members.

160 (2) The commissioner may grant the approval referenced in Subsection (1) if the
161 commissioner finds that:

162 (a) the proposed field of membership is favorable to the success of the credit union;

163 (b) the standing of the proposed membership will give assurance that its affairs will be
164 administered in accordance with this chapter;

165 (c) the proposed credit union has a reasonable promise of financial viability; and

166 (d) formation of the credit union would not result in a substantial adverse financial
167 impact on an existing credit union having the same or substantially the same field of
168 membership.

169 (3) (a) Except as provided in Subsection (3)(b) and in addition to the requirements of
170 Subsections (1) and (2), Section 7-1-704 governs the formation of a credit union.

171 (b) Notwithstanding Subsection (3)(a)[~~-(i)~~], if the proposed credit union has a field of
172 membership that does not base eligibility on residence in a county, the persons seeking
173 formation of the proposed credit union are not required to provide the notice required under
174 Subsection 7-1-704(3)[~~and~~].

175 [~~(ii) a credit union may not be required to obtain federal insurance if the credit union
176 complies with Subsection 7-9-45(2).~~]

177 Section 5. Section **7-9-20 (Contingently Superseded 05/02/05)** is amended to read:

178 **7-9-20 (Contingently Superseded 05/02/05). Board of directors -- Powers and
179 duties -- Loan limitations.**

180 (1) At annual meetings the members shall elect from their number a board of directors
181 consisting of an odd number of not less than five members.

182 (2) The bylaws may provide balloting by:

- 183 (a) mail;
- 184 (b) ballot box; or
- 185 (c) both mail and ballot box.
- 186 (3) Voting may not be by proxy.
- 187 (4) Members of the board of directors shall hold office for the terms prescribed in the
- 188 bylaws.
- 189 (5) The board of directors shall meet at least monthly.
- 190 (6) The board of directors shall have the general management of the affairs, funds, and
- 191 records of the credit union. In particular, the board of directors shall:
- 192 (a) act upon applications for membership;
- 193 (b) act upon expulsion of members;
- 194 (c) fix the amount of surety bond required of each officer or employee having custody
- 195 of funds;
- 196 (d) determine the rate of interest or dividend allowed on shares and deposits;
- 197 (e) determine the terms and conditions of credit granted to members;
- 198 (f) lend money, borrow money, and pledge security for any borrowing;
- 199 (g) fill vacancies in the board of directors or in the credit committee, if applicable, or in
- 200 the supervisory committee until the election and qualification of officers to fill those vacancies;
- 201 (h) appoint up to two alternate directors as provided in the bylaws;
- 202 (i) fix the amount of the entrance fee;
- 203 (j) declare dividends and their amount;
- 204 (k) make recommendations to meetings of the members relative to amendments to the
- 205 articles of incorporation, and transact any other business of the credit union; and
- 206 (l) fix the maximum amount of credit, secured and unsecured, that may be extended to
- 207 any one member, up to the limitations described in Subsections (7) and (8).
- 208 (7) (a) The credit that may be outstanding or available by a credit union at any one time
- 209 is subject to the limitations described in this Subsection (7):
- 210 (i) except as provided in Subsection (8); and
- 211 (ii) except that the board of directors may:
- 212 (A) set a lower limit than the limit in Subsection (7)(b)(i) or (7)(b)(ii)(B); or
- 213 (B) require that a person described in Subsection (7)(b)(ii)(A) be a member of the

214 credit union for more than six months before the date a member-business loan is extended.

215 (b) (i) A credit union may not extend credit that is not a member-business loan to a
216 member if as a result of that extension of credit the total credit that is not a member-business
217 loan that the credit union has issued to that member exceeds at any one time:

218 (A) for a credit union with less than \$2,000,000 in capital and surplus, the greater of:

219 (I) \$1,000; or

220 (II) 15% of capital and surplus up to a total of \$25,000; or

221 (B) for a credit union with \$2,000,000 or more in capital and surplus, the greater of:

222 (I) \$25,000;

223 (II) 1% of capital and surplus; or

224 (III) 25% of the regular reserve.

225 (ii) Beginning March 24, 1999, a credit union may not extend a member-business loan
226 to a person:

227 (A) (I) if the person is a business entity, unless at least one individual having a
228 controlling interest in that business entity has been a member of the credit union for at least six
229 months prior to the date of the extension of the member-business loan; or

230 (II) if the person is an individual, unless the individual is a member of the credit union
231 for at least six months prior to the date of the extension of the member-business loan; or

232 (B) if as a result of the extension of the member-business loan, the total amount
233 outstanding for all member-business loans that the credit union has extended to that person at
234 any one time exceeds the lesser of:

235 (I) 10% of the credit union's capital and surplus; or

236 (II) \$250,000.

237 (c) (i) Beginning March 24, 1999, a credit union may not extend a member-business
238 loan if as a result of that member-business loan the credit union's aggregate member-business
239 loan amount calculated under Subsection (7)(c)(ii) at any one time exceeds 1.25 times the sum
240 of:

241 (A) the actual undivided earnings; and

242 (B) the actual reserves other than the regular reserves.

243 (ii) For purposes of Subsection (7)(c)(i), the aggregate member-business loan amount
244 of a credit union equals:

245 (A) the sum of the total amount financed under all member-business loans outstanding
246 at the credit union; minus

247 (B) the amount of the member-business loans described in Subsection (7)(c)(ii)(A):

248 (I) that is secured by share or deposit savings in the credit union; or

249 (II) for which the repayment is insured or guaranteed by, or there is an advance
250 commitment to purchase by an agency of the federal government, a state, or a political
251 subdivision of the state.

252 (d) (i) A credit union service organization may extend credit to a member of a credit
253 union holding an ownership interest in the credit union service organization only if the credit
254 union in which the person is a member is not prohibited from extending that credit to that
255 member under:

256 (A) this Subsection (7) and Subsection (8); or

257 (B) Section 7-9-58.

258 (ii) For purposes of determining whether under this Subsection (7) and Subsection (8) a
259 credit union may extend credit, the total amount outstanding of credit extended by a credit
260 union service organization to a person shall be treated as if the credit was extended by the
261 credit union in which the person is a member.

262 (iii) If a person seeking an extension of credit from a credit union service organization
263 is a member of more than one credit union holding an ownership interest in the credit union
264 service organization, the person shall specify the credit union to which the extension of credit
265 is attributed under Subsection (7)(d)(ii).

266 (iv) This Subsection (7)(d) effects only an extension of credit:

267 (A) that is extended on or after May 5, 2003; and

268 (B) by:

269 (I) a credit union service organization; or

270 (II) a credit union organized under this chapter.

271 (e) Notwithstanding the other provisions of this section, a nonexempt credit union may
272 not extend credit that the nonexempt credit union is prohibited from extending under Section
273 7-9-58.

274 (8) (a) A credit union may extend credit that is not a member-business loan in an
275 amount that exceeds the limits described in Subsection (7)(b)(i) only if the excess portion is

276 fully secured by share or deposit savings in the credit union.

277 (b) (i) Except as provided in Subsection (8)(b)(ii), a credit union may extend a
278 member-business loan in an amount that exceeds the limits described in Subsection
279 (7)(b)(ii)(B) only if:

280 (A) that portion that is in excess of the limits described in Subsection (7)(b)(ii)(B) is
281 secured by share or deposit savings in the credit union; or

282 (B) the repayment of that portion that is in excess of the limits described in Subsection
283 (7)(b)(ii)(B) is insured or guaranteed by, or there is an advance commitment to purchase that
284 excess portion by, an agency of:

285 (I) the federal government;

286 (II) a state; or

287 (III) a political subdivision of the state.

288 (ii) Notwithstanding Subsection (8)(b)(i), a credit union may not extend a
289 member-business loan if the total amount financed by the credit union exceeds \$1,000,000.

290 (c) For a member-business loan that is extended through a loan participation
291 arrangement in accordance with Subsection 7-9-5(12):

292 (i) in applying the limitation of Subsection (8)(b), each credit union participating in the
293 member-business loan may extend up to \$1,000,000 of the amount financed; and

294 (ii) the requirement of Subsection (7)(b)(ii)(A) applies to membership in any credit
295 union that participates in the loan participation arrangement for the member-business loan.

296 (9) As provided in this chapter or in the credit union bylaws, the board of directors:

297 (a) within 30 days following the annual meeting of the members, shall appoint a
298 supervisory committee consisting of not less than three members;

299 (b) within 30 days after the annual meeting of the members, shall appoint:

300 (i) a credit committee consisting of not less than three members; or

301 (ii) a credit manager in lieu of a credit committee;

302 (c) shall appoint a president to serve as general manager;

303 (d) shall have an executive committee;

304 (e) may appoint an investment officer;

305 (f) shall elect a secretary;

306 (g) may appoint other officers and committees that it considers necessary;

307 (h) shall establish written credit policies, loan security requirements, loan investment,
308 personnel, and collection policies; and

309 (i) on or before January 31 of each year, shall provide for~~[(i)]~~ share insurance for the
310 shares and deposits of the credit union from the National Credit Union Administration or
311 successor federal agency~~[-or]~~.

312 ~~[(ii) security expressly pledged for the payment of the shares and deposits in
313 accordance with Section 7-9-45.]~~

314 (10) A person may not be a member of more than one committee except as otherwise
315 provided in this chapter or in the credit union bylaws.

316 (11) The president and secretary may not be the same person.

317 Section 6. Section **7-9-39 (Contingently Superseded 05/02/05)** is amended to read:
318 **7-9-39 (Contingently Superseded 05/02/05). Voluntary merger.**

319 (1) Any credit union may merge with another credit union under the existing charter of
320 the other credit union when all of the following have occurred:

321 (a) the majority of the directors of each merging credit union votes in favor of the
322 merger plan;

323 (b) the commissioner approves the merger plan;

324 (c) the majority of the members of each merging credit union present at a meeting
325 called for the purpose of considering the merger plan votes to approve the merger plan, but a
326 vote of the membership of the surviving credit union is not required if its board of directors
327 determines that the merger will not have any significant effect on the organization,
328 membership, or financial condition of the credit union; and

329 (d) ~~[(i)]~~ the National Credit Union Administration or its successor federal deposit
330 insurance agency approves the merger plan and commits to insure deposits of the surviving
331 credit union~~[-or]~~.

332 ~~[(ii) the commissioner approves the surviving credit union to operate without federal
333 deposit insurance in accordance with Section 7-9-45.]~~

334 (2) Upon merger, the chair of the board and secretary of each credit union shall
335 execute, and file with the department, a certificate of merger setting forth:

336 (a) the time and place of the meeting of the board of directors at which the plan was
337 approved;

- 338 (b) the vote by which the directors approved the plan;
- 339 (c) a copy of the resolution or other action by which the plan was approved;
- 340 (d) the time and place of the meeting of the members at which the plan was approved;
- 341 (e) the vote by which the members approved the plan; and
- 342 (f) the effective date of the merger, which shall be:
 - 343 (i) the date on which the last approval or vote required under Subsection (1) was
 - 344 obtained; or
 - 345 (ii) a later date specified in the merger plan.
- 346 (3) On the effective date of any merger:
 - 347 (a) all property, property rights, and interests of the merged credit union shall vest in
 - 348 the surviving credit union without deed, endorsement, or other instrument of transfer; and
 - 349 (b) all debts, obligations, and liabilities of the merged credit union are considered to
 - 350 have been assumed by the surviving credit union.
- 351 (4) Except as provided in Subsection (5)(b), if the surviving credit union is chartered
- 352 under this chapter, the residents of a county in the field of membership of the merging credit
- 353 union may not be added to the field of membership of the surviving credit union, except that
- 354 the surviving credit union:
 - 355 (a) may admit as a member any member of the merging credit union that is not in the
 - 356 field of membership of the surviving credit union if the member of the merging credit union
 - 357 was a member of that credit union at the time of merger; and
 - 358 (b) may service any member-business loan of the merging credit union until the
 - 359 member-business loan is paid in full.
- 360 (5) (a) This section shall be interpreted, whenever possible, to permit a credit union
- 361 chartered under this chapter to merge with a credit union chartered under any other law if the
- 362 preservation of membership interest is concerned.
 - 363 (b) The commissioner may under Subsection (1)(b) approve a merger plan that
 - 364 includes the addition of the residents of a county in the field of membership of the merging
 - 365 credit union to the field of membership of the surviving credit union if the commissioner finds
 - 366 that:
 - 367 (i) the expansion of the field of membership of the surviving credit union is necessary
 - 368 for that credit union's safety and soundness; and

369 (ii) the expanded field of membership of the surviving credit union meets the criteria
370 stated in Subsection 7-9-52(3)(c).

371 (6) If the commissioner approves a merger plan under Subsection (5)(b) under which
372 the surviving credit union's field of membership after the merger will include residents of more
373 than one county, Subsections (6)(a) through (e) apply to the surviving credit union.

374 (a) The domicile-county of the surviving credit union is:

375 (i) if the credit union does not have a field of membership under Subsection
376 7-9-53(2)(c) or (2)(d), the county in which the credit union has located the greatest number of
377 branches as of the date the merger is effective; or

378 (ii) if the credit union has a field of membership under Subsection 7-9-53(2)(c) or
379 (2)(d), the county that is the domicile-county of the surviving credit union under Section
380 7-9-53;

381 (b) Within the surviving credit union's domicile-county, the surviving credit union may
382 establish, relocate, or otherwise change the physical location of the credit union's:

383 (i) main office; or

384 (ii) branch.

385 (c) Within a county other than the domicile-county that is in the field of membership of
386 the surviving credit union after the merger, the surviving credit union may not:

387 (i) establish a main office or branch if the main office or branch was not located in the
388 county as of the date that the merger is effective;

389 (ii) participate in a service center in which it does not participate as of the date that the
390 merger is effective; or

391 (iii) relocate the surviving credit union's main office or a branch located in the county
392 as of the date that the merger is effective unless the commissioner finds that the main office or
393 branch is being relocated within a three-mile radius of the original location of the main office
394 or branch.

395 (d) After the merger, the surviving credit union may admit as a member:

396 (i) a person in the surviving credit union's field of membership after the date that the
397 merger is effective; or

398 (ii) a person belonging to an association that:

399 (A) is added to the field of membership of the credit union; and

400 (B) resides in the domicile-county of the surviving credit union, as defined in Section
401 7-9-53.

402 (e) In addition to any requirement under this Subsection (6), a surviving credit union
403 shall comply with any requirement under this title for the establishment, relocation, or change
404 in the physical location of a main office or branch of a credit union.

405 Section 7. Section ~~7-9-45~~ is amended to read:

406 **7-9-45. Insurance of shares and deposits.**

407 (1) ~~[Except as provided in Subsection (2), a]~~ A credit union subject to the jurisdiction
408 of the department shall obtain and maintain insurance on shares and deposits from the National
409 Credit Union Administration or successor federal deposit insurance agency.

410 ~~[(2) Notwithstanding Subsection 7-1-704(7)(a)(v) and Subsection (1), a credit union
411 may not be required to obtain federal insurance on shares and deposits if:]~~

412 ~~[(a) the commissioner approves the credit union's election not to obtain federal
413 insurance on shares and deposits;]~~

414 ~~[(b) as security for the shares and deposits, the credit union maintains securities:]~~

415 ~~[(i) that are issued by or directly and unconditionally guaranteed by:]~~

416 ~~[(A) the United States; or]~~

417 ~~[(B) an agency of the United States;]~~

418 ~~[(ii) that are held in an account with a primary reporting dealer that is:]~~

419 ~~[(A) recognized by the Federal Reserve Bank of New York; and]~~

420 ~~[(B) independent of the credit union;]~~

421 ~~[(iii) that are held in accordance with Title 70A, Chapter 8, Uniform Commercial Code
422 -Investment Securities; and]~~

423 ~~[(iv) in which the department has an express and exclusive security interest; and]~~

424 ~~[(e) the aggregate value of the securities described in Subsection (2)(b) is at all times
425 equal to or greater than 1.15 times the aggregate amount of the shares and deposits of the credit
426 union.]~~

427 ~~[(3)]~~ (2) The commissioner may appoint the administrator of the National Credit Union
428 Administration as liquidating agent of an insured credit union.

429 ~~[(4)]~~ (3) Failure to comply with this section constitutes grounds for supervisory action
430 under Chapter 2 or 19.

431 Section 8. Section ~~7-9-48~~ is amended to read:

432 **7-9-48. Disclosure of share and deposit insurance.**

433 [(1)] A credit union shall comply with all share and deposit insurance disclosure
434 requirements of the National Credit Union Administration or its successor agency.

435 [~~(2)~~] ~~In addition to the disclosure requirements described in Subsection (1), a credit~~
436 ~~union that in accordance with Subsection 7-9-45(2) is not insured by the National Credit Union~~
437 ~~Administration or successor federal deposit insurance agency shall provide, as prescribed by~~
438 ~~rule or order, notice that deposits and shares in the credit union are not insured by a federal~~
439 ~~deposit insurance agency.]~~

Legislative Review Note
as of 2-15-05 12:14 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number HB0277

Revisions to the Utah Credit Union Act

16-Feb-05

5:08 PM

State Impact

No fiscal impact.

Individual and Business Impact

Credit Unions will sustain additional costs associated with postage and handling in contacting members for voting and with providing membership lists.

Office of the Legislative Fiscal Analyst