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**HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES**

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**STATE OF MAINE  
SENATE  
131ST LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 783, L.D. 1921, “An Act to Amend the Laws Regarding State-chartered Credit Unions”

Amend the bill by striking out all of section 2 and inserting the following:

**'Sec. 2. 9-B MRSA §842, sub-§2,** as amended by PL 2003, c. 322, §§29 to 31, is further amended to read:

**2. Powers and duties.** The board of directors shall manage the affairs, funds and records of the credit union and shall meet as often as necessary, but not less than once a month, notice of ~~such~~ the meeting to be made in the manner prescribed in the bylaws. The superintendent may approve fewer meetings upon a credit union's demonstration of good cause. As set forth below, the special duties of the board of directors ~~shall be~~ are:

A. To act upon applications for membership, or to appoint a membership committee of one or more membership officers from among the members of the credit union, other than the treasurer, an assistant treasurer or loan officer, who may be authorized by the board to approve applications for membership under such conditions as the board may prescribe; ~~provided, as long as~~ that ~~such~~ committee or membership officer ~~so authorized shall submit~~ submits to the board at each ~~monthly~~ meeting a list of approved or pending applications for membership received since the previous ~~monthly~~ meeting, together with ~~such~~ other related information as the bylaws or board may require;

B. To fix from time to time the maximum amount, both secured and unsecured, ~~which~~ that may be loaned to any one member, except as limited by chapter 85, and to establish a written loan policy pursuant to section 851, which must be reviewed and ratified at least annually;

C. To authorize the employment of ~~such~~ a person or persons as may be necessary to carry on the business of the credit union; and to fix the compensation of ~~such~~ those employees, including the treasurer;

D. To borrow money to carry on the functions of the credit union, subject to the limitation set forth in section 822;

**COMMITTEE AMENDMENT**

- 1 E. To authorize the conveyance of property;
- 2 F. To purchase a blanket bond in an amount ~~which that~~ is not less than an amount  
3 recommended by the superintendent, which ~~shall~~ must be required of the treasurer and  
4 of each other officer and other employee having custody of funds or property;
- 5 G. To limit the number of shares that may be owned by one member or nonmember  
6 as provided in section 817, and ~~such that~~ limitation must be applied uniformly;
- 7 H. To have charge of the investment of funds and to establish a written investment  
8 policy pursuant to section 861, which must be reviewed and ratified at least annually;
- 9 I. To perform such other duties as the members may from time to time require;
- 10 J. To appoint a supervisory committee of not ~~less~~ fewer than 3 members, not more  
11 than one member of which may be a director. If the duties of the supervisory committee  
12 are conducted by an independent public accountant and the board has contracted for an  
13 annual audit by an independent public accountant pursuant to section 844, a  
14 supervisory committee need not be appointed;
- 15 K. To appoint a credit committee of not ~~less~~ fewer than 3 members; or to establish a  
16 written loan policy ~~which that~~ provides for the designation of one or more loan officers  
17 in lieu of a credit committee and ~~with~~ provides that all loans are subject to ratification  
18 by the full board;
- 19 L. To appoint an executive committee, when the bylaws so provide, consisting of not  
20 ~~less~~ fewer than 3 members of the board with authority to invest funds or borrow in the  
21 name of the credit union, except that the board may establish a written investment  
22 policy ~~which that~~ provides for the designation of a qualified individual to have charge  
23 of making investments, subject to ratification by the full board;
- 24 M. To suspend any or all members of the credit and supervisory committees for failure  
25 to perform their duties;
- 26 N. To fill vacancies occurring between annual meetings in the board of directors and  
27 in the credit committee and supervisory committee until the election or appointment  
28 and qualification of their successors;
- 29 O. To establish and provide for compensation of loan officers appointed by the credit  
30 committee; and ~~of~~ for auditing assistance requested by the supervisory committee;
- 31 P. To designate a depository or depositories for the funds of the credit union;
- 32 Q. To declare dividends in the way and manner provided in the bylaws and in  
33 accordance with this Part;
- 34 R. To determine from time to time the rate of interest consistent with the laws of this  
35 State ~~which shall that must~~ be charged on loans; ~~and to determine from time to time~~  
36 and the amount of interest rebate and the interval on which such rebate, if any, ~~shall be~~  
37 is computed; and
- 38 S. To perform or authorize any action consistent with this Part not specifically reserved  
39 by the bylaws for the members.'

40 Amend the bill in section 4 in subsection 4 in the 4th line (page 3, line 11 in L.D.) by  
41 striking out the following: "2024" and inserting the following: '2025'

## **COMMITTEE AMENDMENT**

1 Amend the bill in section 5 in §856 in the first indented paragraph in the 2nd line (page  
2 3, line 19 in L.D.) by inserting after the following: "~~that~~" the following: 'and to credit unions  
3 organized pursuant to provisions of federal law or credit unions organized under the laws  
4 of another state'

5 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section  
6 number to read consecutively.

7 **SUMMARY**

8 This amendment makes the following changes to the bill.

9 1. The bill reduces the minimum number of board meetings for a credit union from 12  
10 to 6 per year. The amendment retains the statutory provision that requires the board of  
11 directors of the credit union to meet once a month. The amendment allows the  
12 Superintendent of Financial Institutions within the Department of Professional and  
13 Financial Regulation to reduce the number of required meetings for good cause.

14 2. It retains the provision in the bill that removes the limitation that credit unions may  
15 make loans only to other in-state credit unions but makes technical changes to clarify the  
16 language used in the bill.

17 3. It updates the date by which a credit union must adopt a written expulsion policy.