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MEMORANDUM

To: Chairman DeGraaf and members of the House Financial Institutions Committee  
From: Matt Sterling, Assistant Revisor of Statutes  
Date: March 7, 2013  
RE: Senate Bill 113

SB 113 would amend K.S.A. 17-2216 and 17-2216a concerning the loan approval process and some reporting requirements for credit unions. Under current law, a loan by a credit union to its members must be approved by the credit committee or an authorized loan officer. Furthermore, current law provides for a maximum of \$20,000 of loans, in aggregate, to directors, credit committee members, and supervisory committee members. Any loans that exceed this maximum must be approved by the credit committee or an authorized loan officer and the Board of Directors. Finally, any such loans made to directors, credit committee members, or supervisory committee members are required to be reported to the Credit Union Administrator on a semiannual basis.

The bill would change these provisions to: Add credit managers to the list of credit union representatives authorized to approve loans, eliminate a lending and repayment provision for certain loans provided for the growing of crops, increase the aggregate loan maximum from \$20,000 to \$50,000, and require annual reporting to the Administrator of such loans instead of semiannually.

Attachment 3  
FIC 3-7-13