

**SENATE BILL No. 431**

By Committee on Ways and Means

2-15

1 AN ACT concerning the credit union administrator; pertaining to certain  
2 positions in the unclassified service; amending K.S.A. 17-2234 and  
3 repealing the existing section.

4  
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 17-2234 is hereby amended to read as follows: 17-  
7 2234. (a) (1) There is hereby established the state department of credit  
8 unions, which shall be under the administrative supervision of the  
9 administrator as directed by law. The administrator may appoint or employ  
10 an attorney to assist the department in its functions under this act, and in  
11 accordance with the civil service law, such special assistants, deputies or  
12 examiners, and other employees, as may be necessary for the purpose of  
13 administering and enforcing the provisions of this act.

14 (2) *The administrator is hereby authorized to appoint financial*  
15 *examiners and an administrative assistant who shall be in the unclassified*  
16 *service under the Kansas civil service act and shall receive an annual*  
17 *salary fixed by the administrator in accordance with an equitable salary*  
18 *schedule established by the administrator for all unclassified positions.*  
19 *The salaries shall not exceed the average compensation of corresponding*  
20 *state regulatory positions in similar geographic areas. Each financial*  
21 *examiner and administrative assistant appointed after July 1, 2013, shall*  
22 *be in the unclassified service under the Kansas civil service act.*

23 (b) *Nothing in subsection (a) shall affect the classified status of any*  
24 *person employed with the department of credit unions on the day*  
25 *immediately preceding the effective day of this act.*

26 (c) (1) *Subject to the provisions of the appropriation acts, the*  
27 *administrator may appoint financial examiners, financial examiner*  
28 *administrators, case managers and a business manager within the*  
29 *department of credit unions as determined necessary by the administrator*  
30 *to effectively carry out the mission of the department. Each financial*  
31 *examiner, financial examiner administrator, case manager or business*  
32 *manager appointed after the effective date of this act shall be in the*  
33 *unclassified service under the Kansas civil service act, shall have special*  
34 *training and qualifications for such positions and shall serve at the*  
35 *pleasure of the administrator. The administrator shall prepare and*  
36 *maintain an equitable salary schedule for such appointed positions.*

1       (2) *The amount of compensation in the administrator's salary*  
2 *schedule for such appointed positions in the unclassified service shall not*  
3 *exceed the average compensation of corresponding state regulatory*  
4 *positions in similar geographic areas. The administrator's salary schedule*  
5 *for unclassified positions shall be reported to the credit union council*  
6 *annually.*

7       ~~(b)~~ (d) Each special assistant, deputy, examiner and other such  
8 employees as may be necessary for the purpose of administering and  
9 enforcing the provisions of this act shall submit to a security background  
10 check prior to being employed in such position. Upon the commencement  
11 of the interview process, every candidate shall be given a written notice  
12 that a security background check is required. The security background  
13 check shall be limited to criminal history record information as provided  
14 by K.S.A. 22-4701 *et seq.*, and amendments thereto. If the criminal history  
15 record information reveals any conviction of crimes of dishonesty, such  
16 conviction may be used to disqualify a candidate for any position within  
17 the office of the department of credit unions. If the criminal history record  
18 information is used to disqualify a candidate, the candidate shall be  
19 informed in writing of that decision. Upon determining whether to hire or  
20 disqualify a candidate, the candidate's criminal history record information  
21 report shall be destroyed. The candidate's personnel file shall only contain  
22 a statement that a security background check was performed and the date  
23 thereof.

24       ~~(e)~~ (e) The state department of credit unions shall submit an  
25 employment candidate's fingerprints to the Kansas bureau of investigation  
26 and to the federal bureau of investigation for the purpose of determining  
27 whether the applicant has a criminal record.

28       Sec. 2. K.S.A. 17-2234 is hereby repealed.

29       Sec. 3. This act shall take effect and be in force from and after its  
30 publication in the Kansas register.