

HB 2452 -- CREDIT UNIONS MEMBERSHIP

SPONSOR: West

This bill changes credit union membership in the following ways:

(1) Removing the prohibition on a credit union's exercise of the powers of federally chartered credit unions on membership provisions, as approved by the Director of the Division of Credit Unions within the Department of Commerce and Insurance (Section 370.071, RSMO);

(2) Revising the requirements for the common elements shared by credit union members in the following respects:

(a) Clarifying that the current common occupation, association, or employer is a single common bond;

(b) Adding multiple common bonds of occupation, association, or employer, or any combination of those elements;

(c) Specifying that the geographic area is a common area in which people work or reside, in which a branch office is located;

(d) Removing the reference to a 2006 National Credit Union Administration report and removing the prohibition on the Director that prevents expansion to noncontiguous counties or because of relocation of the main office; and

(e) Any combination of items (a) through (d);

(3) Permitting the spouse of a person who died while a member of a group specified in the bill to be eligible for membership;

(4) Permitting pensioners or annuitants from a common occupation or employer, volunteers in a common occupation or employer, and employees of the credit union to become members;

(5) Lowering the required par value of a share from \$25 to \$1 (Section 370.080);

(6) Adding "common" to the phrase "geographic areas" in provisions relating to adding membership to credit unions in compliance with the bill;

(7) Increasing the cap on the size of certain employee groups eligible for membership from 3,000 to 6,000 employees;

(8) Removing the assessment of voluntary mergers over the last five years from the factors considered by the Director in a proposed merger of credit unions;

(9) Adding a statement that upon approval of a merger, the field of membership of the surviving credit union will include the field of membership of the surviving credit union and each merged credit union; and

(10) Revising the requirement for an existing credit union wishing to amend its field of membership to reflect a common bond, multiple common bonds, or a common geographic area to be consistent with the changes specified in the field of membership requirements provided in subsection 2 of Section 370.080 (item (2) of this summary) (Section 370.081).