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Senate Committee on Financial Institutions & Insurance January 25, 2012

SB 265 - Amending credit union bylaws.

Thank you, Chair Teichman and members of the Senate Committee on Financial Institutions & Insurance for the opportunity to comment on behalf of our members in support of SB 265. I am Leslie Kaufman, President/CEO of the Kansas Cooperative Council.

The Kansas Cooperative Council (KCC) represents all forms of cooperative businesses across the state -- agricultural, utility, credit, financial and consumer cooperatives. One of our most numerous member segments is our credit union (CU) sector. Through a membership arrangement with the Kansas Credit Union Association (KCUA), individual credit unions joining the KCUA also join the KCC.

Current Kansas statutes require that amendments to credit union bylaws be approved by the credit union administrator. The statute does not specify a time in which the administrator has to issue such approval or specify a manner for redress should approval be denied. SB 265 will correct this.

SB 265 delineates a 60-day time frame for the administrator to issue a decision on the bylaws. It also makes the administrator's decision to disapprove subject to review under the Kansas administrative procedures act.

SB 265 is a relatively short bill, just a single page. But, the two changes outlined in the proposal are extremely important to credit unions. As such, we respectfully request the committee act favorably on this measure.

We thank you for the opportunity to share with your committee our support for SB 265. If you should have any questions for us regarding our testimony, please feel free to contact me at 785-220-4068.