

SESSION OF 2012

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 265**

As Recommended by Senate Committee on  
Financial Institutions and Insurance

**Brief\***

SB 265 would amend the procedure provided for amending the bylaws of a credit union in statute. The bill would provide two exceptions to the current approval process:

- If the Administrator disapproves any proposed amendment, the credit union would be permitted to appeal the decision of the Administrator in accordance with the Kansas Administrative Procedure Act; and
- If the Administrator has not acted upon a proposed amendment within 60 calendar days, the amendment would be considered approved.

**Background**

The bill was introduced at the request of the Kansas Credit Union Association (KCUA) whose representative indicated, though there has not been a problem with the current Administrator, credit unions would like statutory certainty in what they can expect from their regulator when they apply for changes. The representative noted the KCUA has met with the Kansas Department of Credit Unions and believes that 60 days is a sufficient time line. The Kansas Cooperative Council submitted written testimony in support of the bill at the Senate Committee hearing.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The Administrator, Kansas Department of Credit Unions, offered neutral testimony on the bill, stating that approval or disapproval of credit union bylaws before they become operative by the Administrator has historically worked well.

The fiscal note prepared by the Division of the Budget states the Kansas Department of Credit Unions indicates enactment of the bill would have no fiscal effect.