

**Kansas Department of Credit Unions**

**Statement in Support**

**of**

**Senate Bill No. 113**

**to**

**KANSAS SENATE FINANCIAL INSTITUTIONS**

**COMMITTEE**

**February 14, 2013**

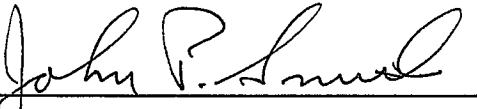
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Senator Olson and members of the Senate Committee, the Kansas Department of Credit Union supports the amendments to K.S.A. 17-2216 (a) and K.S.A. 17-2216a.

The amendment to K.S.A. 17-2216 (a) removes language that is outdated.

K.S.A. 17-2216a addresses the approval process for loans made to the Board of Directors, members of the Credit Committee and Supervisory Committee. Per K.S.A. 17-2216a when the aggregate of loans outstanding to a credit unions' directors, credit committee members and supervisory committee exceeds by \$20,000 the total amount of deposits the loan must be approved by the Credit Committee or duly authorized loan officer and the Board of Directors. The proposed amendment increases the threshold for this approval process from \$20,000 to \$50,000.

The amendment also reduces the reporting requirement for such loans to annually from semiannually.

  
John P. Smith, Administrator