



Date: February 11, 2019

To: Representative Jim Kelly, Chairman
House Financial Institutions and Pensions Committee

From: Shahira Stafford, Kansas Cooperative Council

RE: HB 2101: Updating state credit union statutes

Mr. Chairman and Members of the Committee,

Thank you for the opportunity to provide written testimony in support of House Bill 2101. The Kansas Cooperative Council (KCC) represents all types of cooperatively structured businesses including agriculture marketing and supply, utility, financial co-ops, and consumer cooperatives. Credit unions are not-for-profit financial cooperatives.

Co-ops differ from other businesses because they are member-owned and operate for the mutual benefit of their members. In addition to modernizing the Kansas Credit Union Act by updating member notification requirements with communication methods commonly used today, HB 2101 would more importantly increase local control for credit unions and their cooperative members.

There are seven cooperative principles by which cooperatives put their values into practice. One of those principles is democratic member control. Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. When it comes to making decisions, we believe they are best made at the local level by the members of the cooperative and the board of directors that have been elected to represent them.

On behalf of the Kansas Cooperative Council, we stand in support of HB 2101, which would give credit unions better flexibility to protect the financial soundness of their cooperatives. The KCC respectfully requests that when the committee considers the bill for action you pass it favorably. Thank you.

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