

Kansas Department of Credit Unions
Statement in Support
of
Senate Bill No. 113
to
KANSAS HOUSE FINANCIAL INSTITUTIONS
COMMITTEE

John P. Smith, Administrator
Kansas Department of Credit Unions
109 S.W. 9th Street
Suite 610
Topeka, Kansas 66612
(785) 296 3021
john.smith@kdcu.ks.gov
<http://www.kansas.gov/kdcu/>

Chairman DeGraaf and members of the House 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The amendment to K.S.A. 17-2216 (a) removes language that is outdated.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