

2021 Regular Session

HOUSE BILL NO. 466

BY REPRESENTATIVE JORDAN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

CREDIT/UNIONS: Provides relative to credit unions

1 AN ACT

2 To amend and reenact R.S. 6:649(A)(2) and 665(C)(1)(a) and to repeal R.S. 6:649(C),
3 relative to credit unions; to allow for compensation; to specify that insurance is not
4 to be considered compensation; to allow for reimbursement; to increase the
5 examination rating necessary to change bylaws by a field of membership expansion;
6 and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 6:649(A)(2) and 665(C)(1)(a) are hereby amended and reenacted to
9 read as follows:

10 §649. Directors; officers; compensation; reimbursement

11 A.

12 * * *

13 (2) At the first meeting after the annual meeting of the members, the
14 directors shall elect from their number the board officers specified in the bylaws.
15 ~~Only one board officer shall be compensated as an officer of the board, and the~~
16 ~~bylaws shall specify such positions, as well as the specific duty of each of the board~~
17 ~~officers.~~ A credit union may compensate an officer, director, or committee member
18 for the member's services to the credit union. Life, health, accident, and similar
19 insurance protection provided by the credit union to an officer, director, or
20 committee member shall not be considered compensation. A credit union may

Proposed law repeals present law.

Present law allows the commissioner to approve such bylaw provision when the credit union's legal reserves are in excess of six percent of risk assets.

Proposed law repeals present law.

Proposed law provides that the payment by the credit union of premiums for liability, travel, accident, hospitalization, or life insurance coverage on the director or committee member shall not be considered as compensation.

Proposed law retains present law in part, but applies only to life, health, accident and similar insurance.

Present law requires a credit union's most recent examination rating to be two or better, as a condition to amending bylaws through a field of membership expansion.

Proposed law raises the requisite examination rating from two to three.

(Amends R.S.6:649(A)(2) and 665(C)(1)(a); Repeals R.S. 6:649(C))