



**Colorado
Legislative
Council
Staff**

SB16-125

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0577
Prime Sponsor(s): Sen. Holbert
Rep. Kraft-Tharp

Date: February 16, 2016
Bill Status: Senate Finance
Fiscal Analyst: Kerry White (303-866-3469)

BILL TOPIC: CREDIT UNION GOVERNANCE

Summary of Legislation

This bill allows the board of directors of a credit union to appoint an audit committee in lieu of a supervisory committee, provided the audit committee performs the statutory duties of a supervisory committee. It also allows a credit union to provide reasonable compensation to an officer, director, or committee member for his or her service.

Background

Under current law, only the treasurer of the credit union may be compensated for his or her service. Colorado law requires a credit union's supervisory committee to:

- perform or ensure the performance of a comprehensive annual audit and supplemental audits when necessary;
- prepare an annual report for the annual meeting of the credit union's members;
- suspend or remove officers or directors as necessary, following statutory procedures;
- verify the status of all member's shares, deposits, and loan accounts by examining all or a random sample of member accounts every other year; and
- by majority vote, call a special meeting to consider any violation of state law; credit union bylaws or rules; or conduct by any officer, director, committee member, or credit union member, which the committee deems is detrimental to the credit union.

Assessment

This bill is assessed as having no fiscal impact. It does not affect revenue or expenditures for any agency of state or local government.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Higher Education
Regulatory Agencies

Information Technology

Personnel