

## **CREDIT UNION DIVISION[189]**

### **Notice of Intended Action**

#### **Proposing rule making related to education requirements and providing an opportunity for public comment**

The Credit Union Division hereby proposes to amend Chapter 2, “Organization, Chartering and Field of Membership of a Credit Union,” Iowa Administrative Code.

#### *Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code sections 533.104 and 533.107.

#### *State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code sections 533.113A, 533.205(3)“c,” and 533.205(3)“g.”

#### *Purpose and Summary*

The proposed amendment codifies the Division’s expectations regarding state credit union boards of directors’ education requirements and is comparable to requirements for federally chartered credit unions’ boards of directors.

#### *Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

#### *Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

#### *Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Division for a waiver of the discretionary provisions, if any, pursuant to 189—Chapter 23.

#### *Public Comment*

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Division no later than 4:30 p.m. on September 14, 2021. Comments should be directed to:

Jessica Pollmeier  
Credit Union Division  
200 East Grand Avenue, Suite 370  
Des Moines, Iowa 50309-1827  
Fax: 515.725.0519  
Email: [jessica.pollmeier@iowa.gov](mailto:jessica.pollmeier@iowa.gov)

#### *Public Hearing*

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental

subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend rule 189—2.9(533) as follows:

**189—2.9(533) Board of directors meeting requirements.**

**2.9(1)** The board of directors shall hold at least 12 regular meetings each calendar year. No more than one regular meeting shall be held in one calendar month.

**2.9(2)** A quorum shall be required to undertake any credit union business and required at any meeting of the board of directors called by the superintendent pursuant to Iowa Code chapter 533.

**2.9(3)** A director or committee member must be able to read and understand the credit union's balance sheet and income statement, have a working knowledge of basic finance and generally accepted accounting principles (GAAP) utilized in the credit union, be able to understand the risk found in depository institutions and credit union board governance, and understand the internal control structures of the credit union. If a director or committee member does not have the requisite skills when elected or appointed, the director or committee member must obtain these skills in a timely manner, not to exceed 12 months.

This rule is intended to implement Iowa Code sections 533.205(3)"e" 533.205(3)"c," 533.205(3)"g," and 533.113A.