

Senate Amendment to
House File 131

H-8219

1 Amend House File 131, as amended, passed, and reprinted by
2 the House, as follows:

3 1. Page 1, line 2, by striking <2023> and inserting <2024>

4 2. By striking page 1, line 12, through page 2, line 25.

5 3. Page 2, line 26, by striking <2023> and inserting <2024>

6 4. Page 2, by striking lines 28 through 33 and inserting:

7 <8. a. A credit union director shall not receive
8 compensation for service as a director. However, a director
9 may be reimbursed for reasonable expenses directly related
10 to such service Subject to its bylaws, a credit union may
11 provide compensation to members of the credit union's board,
12 elected pursuant to section 533.204, in an amount not to exceed
13 sixteen thousand dollars per year per board member for a credit
14 union with one billion dollars or greater in assets, or not to
15 exceed eight thousand dollars per year per board member for a
16 credit union with less than one billion dollars in assets. A
17 director who receives compensation under this paragraph shall
18 not be reimbursed for expenses directly related to service as
19 a director.

20 b. A credit union director who does not receive compensation
21 under paragraph "a" may be reimbursed for reasonable expenses
22 directly related to service as a director.>

23 5. Page 2, line 34, by striking <2023> and inserting <2024>

24 6. Page 3, after line 22 by inserting:

25 <NEW SUBSECTION. 13. a. In addition to any other liability
26 imposed by law upon the directors of a state credit union, the
27 directors of a state credit union shall be liable for all of
28 the following:

29 (1) The directors of a state credit union who vote for,
30 or assent to, the declaration of any dividend or other
31 distribution of the assets of the state credit union to the
32 state credit union's members in willful or negligent violation
33 of this chapter, any restrictions contained in the articles of
34 incorporation, or any order by the superintendent restricting
35 the payment of dividends or other distribution of assets, shall

1 be jointly and severally liable to the state credit union for
2 the amount of the dividend which is paid, or the value of
3 such assets which are distributed, in excess of the amount of
4 such dividend or distribution which could have been paid or
5 distributed had the violation not occurred.

6 (2) The directors of a state credit union who vote for,
7 or assent to, any distribution of the assets of the state
8 credit union to the state credit union's members during the
9 dissolution of the state credit union without the payment and
10 discharge of, or making adequate provision for, all known
11 debts, obligations, and liabilities of the state credit union
12 shall be jointly and severally liable to the state credit union
13 for the value of the distributed assets to the extent that such
14 debts, obligations, and liabilities of the state credit union
15 are not thereafter paid and discharged.

16 (3) The directors of a state credit union who willfully
17 or negligently vote for, or assent to, a loan or an extension
18 of credit in violation of this chapter shall be jointly and
19 severally liable to the state credit union for the total amount
20 of any loss sustained by the state credit union.

21 (4) The directors of a state credit union who willfully or
22 negligently vote for, or assent to, any investment of funds of
23 the state credit union in violation of this chapter shall be
24 jointly and severally liable to the state credit union for the
25 amount of any loss sustained by the state credit union on the
26 investment of funds.

27 *b.* A director shall not be liable under paragraph "a" if
28 the director relied and acted in good faith on information
29 that was held out to the director to be correct by any officer
30 of the state credit union, or was stated in a written report
31 by a certified public accountant or firm of certified public
32 accounts. A director shall not be deemed to be negligent if
33 the director in good faith exercised the diligence, care, and
34 skill which an ordinarily prudent person would exercise as a
35 director under similar circumstances.

1 *c.* When deemed necessary by the superintendent, and after
2 affording an opportunity for a hearing upon adequate notice,
3 the superintendent may require that a director whom the
4 superintendent reasonably believes to be liable to a state
5 credit union pursuant to paragraph "a" to place in an escrow
6 account in an insured credit union located in this state,
7 as directed by the superintendent, an amount sufficient to
8 discharge any liability which may accrue pursuant to paragraph
9 "a". Upon a final determination of the amount of liability owed
10 pursuant to paragraph "a", the superintendent shall pay over the
11 amount due to the state credit union from the escrow account.
12 Any portion of the escrow account in excess of the amount of
13 liability owed shall be refunded on a pro rata basis to the
14 directors required to contribute to the escrow account pursuant
15 to this paragraph.

16 *d.* The liability provisions of this subsection shall not
17 apply to a director of a credit union who is not directly
18 compensated for services as a director other than the
19 reimbursement of actual expenses.

20 NEW SUBSECTION. 14. *a.* Any director held liable for
21 the payment of a dividend or other distribution of assets of
22 a state credit union under subsection 13 shall be entitled
23 to contribution from any member of the state credit union
24 who accepted or received a dividend or other distribution of
25 assets, knowing that the dividend or distribution of assets was
26 made in violation of this chapter, in proportion to the amount
27 received by each member.

28 *b.* Any director held liable under subsection 13 shall be
29 entitled to contribution from any other director found to be
30 similarly liable.

31 NEW SUBSECTION. 15. *a.* A director of a state credit union
32 who is present at a meeting of the state credit union's board
33 of directors shall be presumed to have assented to any matter
34 taken up by, or action taken by, the board, unless the director
35 dissents by doing any of the following:

1 (1) Has the director's dissent entered into the minutes of
2 the board meeting.

3 (2) Files the director's written dissent with the
4 individual acting as the secretary of the board meeting before
5 the adjournment of the board meeting.

6 (3) Forwards the director's written dissent by registered
7 or certified mail to the board secretary of the state credit
8 union promptly after the adjournment of the board meeting.

9 b. The right to dissent pursuant to paragraph "a" shall not
10 apply to a director who votes in favor of the action of the
11 board.

12 NEW SUBSECTION. 16. Any action seeking to impose liability
13 under this section, other than liability for contribution,
14 shall be commenced within five years of the event giving rise
15 to the liability.>

16 7. Page 3, line 23, by striking <2023> and inserting <2024>

17 8. Page 4, line 10, by striking <2023> and inserting <2024>

18 9. Page 5, by striking lines 1 through 24.

19 10. By renumbering as necessary.