

CHAPTER 246

SHARE INSURANCE FOR CREDIT UNIONS

S. F. 249

AN ACT relating to federal share insurance for credit unions.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred thirty-three point four (533.4),
2 Code 1971, is amended by adding the following new subsection:

3 "Apply to the administrator of the national credit union adminis-
4 tration for credit union share insurance under Title II of the federal
5 Credit Union Act as amended by Public Law 91-468 and take all
6 actions necessary to maintain an insured status thereunder."

1 SEC. 2. Section five hundred thirty-three point six (533.6), sub-
2 section two (2), unnumbered paragraph one (1), Code 1971, is
3 amended as follows:

4 The superintendent of banking shall examine, or cause to be exam-
5 ined, each credit union annually. Each credit union and all of its
6 officers and agents shall give to the representatives of said superin-
7 tendent free access to all books, papers, securities, records and other
8 sources of information under their control; and for the purposes of
9 such examination said representatives shall have the power to sub-
10 poena witnesses, administer oaths, compel the giving of testimony,
11 and require the submission of documents. A report of such examina-
12 tion shall be forwarded to the president of each credit union within
13 thirty days after the completion of the examination. Within thirty
14 days of the receipt of such report, a meeting of the directors shall
15 be called to consider matters contained in the report and the action
16 taken shall be set forth in the minutes of the board. *The superin-*
17 *tendent may furnish to the administrator or any other official of the*
18 *national credit union administration any information or report relat-*
19 *ing to examinations and reports of the status of any state credit union*
20 *insured by the national credit union administration.*

1 SEC. 3. Section five hundred thirty-three point six (533.6), sub-
2 section two (2), unnumbered paragraph four (4), Code 1971, is
3 amended as follows:

4 If it shall appear that any credit union is insolvent or that it has
5 violated any of the provisions of this chapter, the superintendent of
6 banking may, after hearing or giving opportunity for a hearing,
7 order such credit union to correct such condition and shall grant it
8 not less than sixty days within which to comply and failure so to do
9 shall afford the said superintendent grounds to revoke the certificate
10 of approval and to apply to the district court of the district in which
11 such credit union is located for the appointment of a receiver [to close
12 up the affairs of such credit union] *for the credit union. The dis-*
13 *trict court shall appoint the superintendent as receiver unless the*
14 *superintendent has tendered the appointment to the administrator of*
15 *the national credit union administration. The administrator as re-*
16 *ceiver shall possess the rights, powers, and privileges granted by state*
17 *law to a receiver of a state credit union. Neither the superintendent*
18 *nor the administrator shall be required to furnish bond as receiver of*
19 *a state credit union.*

1 SEC. 4. Chapter five hundred thirty-three (533), Code 1971, is
2 amended by adding the following new section:

3 "1. The superintendent may tender to the administrator of the na-
4 tional credit union administration the appointment as receiver for
5 an insured credit union. If the administrator accepts the appoint-
6 ment as receiver, the rights of the members and other creditors of
7 the insured credit union shall be determined in accordance with the
8 laws of this state.

9 2. The administrator of the national credit union administration
10 as receiver shall possess the powers, rights, and privileges given to
11 the superintendent as provided by law.

12 3. If the administrator of the national credit union administration
13 pays or makes available for payment the insured liabilities of a state
14 credit union, he shall be subrogated by operation of law to all rights
15 of the members against the insured credit union in the same manner
16 and to the same extent as the subrogation of the administrator of
17 the national credit union administration is provided for in applicable
18 laws of the United States in the case of a closed federal credit union."

Approved April 15, 1971.

Italics indicate new material added to existing statutes; brackets indicate deletions from existing statutes.
However, see Editor's note, page iii.

CHAPTER 247†

CREDIT UNIONS

S. F. 83

AN ACT relating to the auditing committee of a credit union.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred thirty-three point eleven
2 (533.11), subsections one (1) and two (2), Code 1971, are amended
3 as follows:

4 533.11 **Auditing committee.** The auditing committee shall:

5 1. Make or cause to be made an examination of the affairs of the
6 credit union at least quarterly, including an audit of its books and,
7 in the event said committee feels such action to be necessary, it
8 shall call the members together thereafter and submit to them its
9 report.

10 2. Make or cause to be made an annual audit and report and submit
11 the same at the annual meeting of the members.

Approved March 16, 1971.

†See Editor's note, page iii.