

CHAPTER 17
REGULATION OF CREDIT UNIONS
S.F. 183

AN ACT relating to matters under the purview of the credit union division of the department of commerce, and making penalties applicable.

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

Section 1. Section 533.102, subsection 4, Code 2013, is amended to read as follows:

4. *Credit union service organization* means a corporation, or limited partnership, or limited liability company organized under state law to provide financial and financial-related services for one or more credit unions, each of which owns part of the capital stock of the credit union service organization, as authorized under section 533.301, subsection 5, paragraph "f", and which corporation, or limited partnership, or limited liability company is subject to examination by the credit union division of the Iowa department of commerce or a federal supervisory agency.

Sec. 2. Section 533.205, subsection 1, paragraph d, Code 2013, is amended to read as follows:

d. A chief financial officer whose title shall be designated by the board.

Sec. 3. Section 533.301, subsections 28 and 29, Code 2013, are amended to read as follows:

28. Sell, to persons in the field of membership, negotiable checks, including traveler's checks; money orders; and other similar money transfer instruments including international and domestic electronic fund transfers and remittance checks.

29. Cash checks and money orders, and send and receive international and domestic electronic fund transfers and remittance transfers, for persons in the field of membership.

Sec. 4. Section 533.401, subsection 3, paragraphs a and b, Code 2013, are amended to read as follows:

a. Notice of the meeting called to consider balloting for the membership vote on the merger was mailed to each member of the merging credit union entitled to vote upon the question at least twenty days prior to the date of the merger meeting scheduled conclusion of the vote.

b. The notice of balloting disclosed the purpose of the meeting vote and properly informed the membership that approval of the merger would be sought pursuant to this section.

Sec. 5. Section 533.401, subsection 9, Code 2013, is amended by striking the subsection.

Sec. 6. Section 533.404, subsection 4, Code 2013, is amended by striking the subsection.

Sec. 7. Section 533.405, subsection 2, Code 2013, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. The board of directors shall notify the national credit union administration of the intent to dissolve, as required by federal regulation.

Sec. 8. Section 533.405, Code 2013, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. a. (1) Within ten days of the conclusion of a membership vote approving the voluntary dissolution, the board of directors or the liquidating agent appointed pursuant to subsection 4 shall cause notice, as provided in this subsection, to be given to creditors of the state credit union to present their claims.

(2) A copy of the notice of voluntary dissolution shall be mailed to all creditors reflected on the records of the state credit union.

b. In addition to mailing notice to known creditors, the state credit union shall also publish notice of the voluntary dissolution as follows:

(1) State credit unions with assets in excess of \$5 million as of the month ending immediately prior to the date of the conclusion of the vote by the membership approving the

dissolution shall publish the notice once a week for two successive weeks in a newspaper of general circulation in each county in which the state credit union maintains an office or branch for the transaction of business.

(2) State credit unions with assets of \$5 million or less as of the month ending immediately prior to the date of the conclusion of the vote by the membership approving the dissolution shall publish the notice once in a newspaper of general circulation in each county in which the state credit union maintains an office or branch.¹

c. Mailed and published notices under this subsection shall indicate all of the following:

(1) A creditor shall have thirty days from the date the notice was sent or first published to submit the creditor's claim. The state credit union must receive the claim on or before the thirtieth day, or the claim is barred.

(2) Information that must be included in a claim.

(3) A mailing address where a claim is to be sent.

Sec. 9. Section 533.405, subsections 5 and 6, Code 2013, are amended to read as follows:

5. a. Upon such proof as is satisfactory to the superintendent that all assets of the following have occurred, the superintendent shall issue a certificate of dissolution:

(1) Assets have been liquidated from which there is a reasonable expectancy of realization, that the,

(2) The liabilities of the state credit union have been discharged and distribution,

(3) Distribution has been made to its members, and that pursuant to section 533.404, subsection 1.

(4) The liquidation has been completed, the superintendent shall issue a certificate of dissolution, which,

b. The certificate shall be filed and recorded in the county in which the state credit union has its principal place of business and in the county in which its original articles of incorporation were filed and recorded.

b. c. Upon the issuance filing of a certificate of dissolution, the existence of the state credit union shall cease.

6. a. At any time prior to any the final distribution of its assets, a state credit union may revoke the voluntary dissolution proceedings by the affirmative vote of a majority of its members eligible to vote, according to the provisions of section 533.203. At least twenty days' notice shall be provided between the sending of notice and the scheduled conclusion of the vote.

b. Upon the conclusion of the vote, the board of directors shall immediately notify the superintendent of any such action to revoke voluntary dissolution proceedings.

Approved April 5, 2013

¹ See chapter 140, §74 herein