

SECOND REGULAR SESSION

# SENATE BILL NO. 833

89TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS SCOTT, CLAY, McKENNA, SCHNEIDER,  
FLOTRON, ROHRBACH AND DePASCO.

Read 1st time January 27, 1998, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

S2562.01I

## AN ACT

To repeal section 370.080, RSMo 1994, relating to credit unions, and to enact in lieu thereof one new section relating to the same subject.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 370.080, RSMo 1994, is repealed and one new section enacted in lieu thereof, to be known as section 370.080, to read as follows:

370.080. 1. **The director of the division of credit unions shall have the authority to approve applications to amend bylaws regarding credit union membership or to organize credit unions that include single or multiple groups.** The membership shall consist of the organizers and such persons, societies, associations, copartnerships and corporations as have been duly elected to membership and have subscribed to one or more general shares, or one membership share and/or membership fee when required, and have paid for the same in the whole or in part, with the entrance fee as required by the bylaws, and have complied with such other requirements as the certificate of organization may contain.

2. [Credit union organization shall be limited to groups of both large and small membership having a common bond of occupation or association or to groups residing within a well-defined neighborhood, community or rural district.

3.] Each credit union may, at the option of the board, create one or more classes of shares which shall be known as "membership share" representing the member's ownership interest in the credit union on such terms and conditions as the board of directors may determine, not inconsistent with the bylaws, provided that each membership share shall have a par value of not less than twenty-five nor more than one hundred dollars. A membership share shall not be

**EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

pledged as security on any loan.

[4.] **3.** Notwithstanding any other provisions of this chapter to the contrary, in the event of liquidation of the assets of the credit union, the membership share shall be at risk, uninsured, and shall be subordinated to the claims of all nonmembers and participate in the assets of the credit union after all creditors and holders of all other shares, and the National Credit Union Administration.

✓

Unofficial

Bill

Copy