

HOUSE BILL No. 5794

May 22, 1990, Introduced by Rep. Bennett and referred to the Committee on Corporations and Finance.

A bill to amend section 6 of Act No. 285 of the Public Acts of 1925, entitled as amended

"An act to provide for the organization, operation, and supervision of credit unions; to provide for the conversion of a state credit union into a federal credit union or a credit union organized and supervised under the laws of any other state or territory of the United States and for the conversion of a federal credit union or a credit union organized and supervised under the laws of any other state or territory of the United States into a state credit union; and to provide for the merger of credit unions organized and supervised under the laws of this state, credit unions organized and supervised under the laws of any other state or territory of the United States, and federal credit unions,"

as amended by Act No. 349 of the Public Acts of 1982, being section 490.6 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 6 of Act No. 285 of the Public Acts of
2 1925, as amended by Act No. 349 of the Public Acts of 1982, being

1 section 490.6 of the Michigan Compiled Laws, is amended to read
2 as follows:

3 Sec. 6. (1) Credit unions shall be under the supervision
4 of the commissioner. Each credit union shall report its finan-
5 cial condition at least annually before ~~February 16~~ JANUARY 31,
6 for its previous calendar year and more often if requested by the
7 commissioner, on forms supplied by the commissioner. Additional
8 reports may be required. Credit unions shall be examined at
9 least annually by the commissioner except that the commissioner
10 may accept the audit of a certified public accountant in place of
11 an examination. Each credit union shall pay ~~examination fees,~~
12 ~~supervision fees,~~ AN OPERATING FEE and other fees as provided in
13 this section.

14 (2) ~~Examination fees shall be an amount as determined by~~
15 ~~the commissioner and~~ THE COMMISSIONER SHALL CHARGE ANNUALLY AN
16 OPERATING FEE TO EACH CREDIT UNION. THE OPERATING FEE shall be
17 sufficient to defray the estimated expenses to be incurred by the
18 financial institutions bureau in performing all credit union
19 examinations AND THE SUPERVISION OF CREDIT UNIONS. EACH CREDIT
20 UNION SHALL BE INVOICED BY THE COMMISSIONER FOR THE OPERATING FEE
21 BEFORE JULY 1 OF EACH YEAR AND SHALL PAY THE OPERATING FEE INDI-
22 CATED ON THE INVOICE BEFORE JULY 16 OF EACH YEAR. THE OPERATING
23 FEE SHALL BE COMPUTED ON THE TOTAL ASSETS OF THE CREDIT UNION AS
24 OF DECEMBER 31 OF THE PREVIOUS YEAR AS SHOWN ON THE STATEMENT OF
25 CONDITION OF THE CREDIT UNION FILED WITH THE FINANCIAL INSTITU-
26 TIONS BUREAU PURSUANT TO SUBSECTION (1). In determining the
27 amount of ~~an examination~~ THE OPERATING fee, the commissioner

1 may vary the fee charged to an individual credit union in an
 2 inverse proportion to the amount of the assets of that credit
 3 union. ~~An examination fee shall be paid only by a credit union~~
 4 ~~that is examined by the commissioner.~~ The commissioner shall not
 5 require a credit union to pay an ~~examination~~ OPERATING fee more
 6 often than annually. A CORPORATE CENTRAL credit union ~~the~~
 7 ~~capital of which consists primarily of funds from other credit~~
 8 ~~unions,~~ shall pay an ~~examination~~ OPERATING fee ~~based on~~
 9 ~~actual examiner costs incurred in performing the examination,~~
 10 ~~except that the~~ IN THE SAME MANNER AS OTHER CREDIT UNIONS BUT
 11 THE fee shall not exceed ~~\$7,500.00~~ \$100,000.00 annually.

12 ~~(3) In addition to the examination fee, the commissioner~~
 13 ~~shall annually charge and collect a supervision fee from each~~
 14 ~~credit union. The supervision fee shall be computed on the total~~
 15 ~~assets of the credit union shown on the statement of condition of~~
 16 ~~the credit union as of December 31 of the previous year. The~~
 17 ~~supervision fee will be computed as follows: 55 cents per~~
 18 ~~\$1,000.00 of assets up to and including \$500,000.00; plus 25~~
 19 ~~cents per \$1,000.00 of assets over \$500,000.00, but not in excess~~
 20 ~~of \$1,000,000.00; plus 18 cents per \$1,000.00 of assets over~~
 21 ~~\$1,000,000.00 but not in excess of \$5,000,000.00; plus 11 cents~~
 22 ~~per \$1,000.00 on assets over \$5,000,000.00, but not in excess of~~
 23 ~~\$10,000,000.00; plus 7 cents per \$1,000.00 of all assets over~~
 24 ~~\$10,000,000.00. However, each credit union shall annually pay a~~
 25 ~~minimum supervision fee of \$100.00. Each credit union shall be~~
 26 ~~invoiced by the commissioner for the supervision fee before July~~
 27 ~~1 of each year and shall pay the supervision fee indicated on the~~

1 ~~invoice before July 16 of each year. The amount invoiced by the~~
2 ~~commissioner shall be as follows.~~

3 ~~(a) On July 1, 1983, 50% of the amount computed pursuant to~~
4 ~~this subsection.~~

5 ~~(b) On July 1, 1984, 75% of the amount computed pursuant to~~
6 ~~this subsection.~~

7 ~~(c) On each July 1 thereafter, 100% of the amount computed~~
8 ~~pursuant to this subsection.~~

9 (3) ~~(4)~~ For failure to file reports when due, unless
10 excused for cause by the commissioner, the credit union shall pay
11 \$25.00 for each day of its delinquency. If the report is not
12 filed within 15 days, the commissioner may revoke the credit
13 union's certificate of approval and take possession of the busi-
14 ness and property of the credit union and maintain possession
15 until the commissioner permits it to continue business or its
16 affairs are finally liquidated.

17 (4) ~~(5)~~ If the commissioner determines that the credit
18 union is insolvent, or is in an unsound or unsafe condition, the
19 commissioner may serve notice on the credit union of his or her
20 intention to revoke the certificate of approval. If ~~—~~ for a
21 period of 15 days after the notice ~~—~~ the violation or unsound
22 or unsafe condition continues, the commissioner may revoke the
23 certificate and take possession of the business and property of
24 the credit union and maintain possession until the commissioner
25 permits it to continue business or its affairs are finally
26 liquidated.

1 (5) ~~-(6)-~~ Amendments to the bylaws or certificate of
2 organization of a credit union properly adopted shall be filed
3 with the commissioner with the payment of a fee of \$10.00 for
4 each amendment, but not in excess of \$30.00 for any 1 filing.

5 (6) ~~-(7)-~~ All fees required by this section shall be paid
6 into the state treasury to the credit of the financial institu-
7 tions bureau and the money in this account shall be used only for
8 the operation of the financial institutions bureau.