



**House
Legislative
Analysis
Section**

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REGISTRATION OF CREDIT UNION SECURITIES

House Bill 4728 as introduced
First Analysis (10-8-87)

RECEIVED

OCT 22 1987

Sponsor: Rep. William R. Keith Mich. State Law Library
Committee: Corporations and Finance

THE APPARENT PROBLEM:

Various securities, including those backed by banks or savings and loans organized under the laws of any state, are exempted from registration under the Uniform Securities Act. Securities backed by a federal or Michigan credit union also are exempted. Securities not backed by Michigan banks or savings and loan associations, or by federal or Michigan credit unions, are not exempt.

THE CONTENT OF THE BILL:

The bill would extend the exemption for credit union securities to those backed by any credit union organized and supervised under the laws of any state or territory of the United States.

MCL 451.802

FISCAL IMPLICATIONS:

Fiscal information is not available. (10-7-87)

ARGUMENTS:

For:

Last year's amendments to the Credit Union Act allowed many out-of-state credit unions to establish branches in Michigan. By allowing them to avoid the red tape involved in registering with the Financial Institutions Bureau, the bill would give out-of-state credit unions the same status that out-of-state banks and savings and loans now enjoy.

POSITIONS:

The Michigan Association of Credit Unions supports the bill.
(10-7-87)

The Michigan Credit Union League supports the bill.
(10-7-87)

H.B. 4728 (10-8-87)