

CHAPTER NO. 233

HOUSE BILL NO. 730

INTRODUCED BY MANUEL, GERKE, MARKS, DOZIER, HUENNEKENS,
ELLIS, LORY, HEMSTAD, O'CONNELL, OBERG, TEAGUE,
MEYER, WILLIAMS, KEEDY, HARPER, SHELDEN

IN THE HOUSE

February 10, 1979	Introduced and referred to Committee on Business and Industry.
February 15, 1979	Committee recommend bill do pass as amended. Report adopted.
February 16, 1979	Printed and placed on members' desks.
February 17, 1979	Second reading, do pass as amended.
February 19, 1979	Correctly engrossed.
February 20, 1979	Third reading, passed. Transmitted to second house.

IN THE SENATE

February 21, 1979	Introduced and referred to Committee on Business and Industry.
March 8, 1979	Committee recommend bill be concurred in. Report adopted.
March 10, 1979	Second reading, concurred in.
March 13, 1979	Third reading, concurred in.

IN THE HOUSE

March 14, 1979	Returned from second house. Concurred in. Sent to enrolling.
	Reported correctly enrolled.

House BILL NO. **730**

INTRODUCED BY *Manuel Garcia Mark Dozier*
Hannah Ellis Long Lynetta O'Connell Doug
Meyer Williams Kelly
A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION *Teague*

32-3-804, MCA, TO ALLOW A CENTRAL CREDIT UNION TO BORROW AN *Hayes*
AMOUNT NOT IN EXCESS OF 10 TIMES ITS TOTAL ASSETS LESS NOTES *Keldan*
PAYABLE AND MORE THAN 10 TIMES ITS TOTAL ASSETS LESS NOTES
PAYABLE WITH PRIOR APPROVAL OF THE DIRECTOR; AND TO ALLOW A
CENTRAL CREDIT UNION TO LOAN AN AMOUNT NOT IN EXCESS OF 20%
OF ITS ASSETS TO ANY ONE MEMBER."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 32-3-804, MCA, is amended to read:

"32-3-804. Additional rights and powers. (1) A central
credit union shall have all of the rights and powers of any
other credit union organized under this chapter and the
additional rights and powers specified in this section,
notwithstanding any limitations or restrictions found
elsewhere in this chapter.

(2) A central credit union may make loans to other
credit unions, purchase shares of other credit unions, and
obtain or acquire the assets and liabilities of any credit
union operating in this state which enters into liquidation.

(3) A central credit union may invest in and grant
loans to associations of credit unions, central funds of

credit unions, or organizations chartered to provide service
to credit unions.

(4) A central credit union may borrow and accept money
from any source and issue notes or debentures.

(5) A central credit union with corporate
shareholdings equal to or in excess of 95% of its total
assets may, by vote of its board of directors:

(a) elect exemption of insurance on share accounts
under the provisions of Title II of the Federal Credit Union
Act;

~~(b) borrow from any source an amount not in excess of
10 times its total assets after deduction of the notes
payable account; however, with prior written approval of the
director of the department of business regulation, the
credit union may exceed such limitation; and~~

~~(c) make loans to any member in an aggregate amount
not in excess of 20% of the central credit union's total
assets."~~

-End-

Approved by Committee
on Business and Industry

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3 ELLIS, LORY, HEMSTAD, D'CONNELL, OBERG, TEAGUE,

4 MEYER, WILLIAMS, KEEDY, HARPER, SHELDON

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6 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION
7 32-3-804, MCA, TO ALLOW A CENTRAL CREDIT UNION TO BORROW AN
8 AMOUNT NOT IN EXCESS OF ~~10-TIMES~~ ITS TOTAL ASSETS LESS NOTES
9 PAYABLE AND MORE THAN ~~10-TIMES~~ ITS TOTAL ASSETS LESS NOTES
10 PAYABLE WITH PRIOR APPROVAL OF THE DIRECTOR; AND TO ALLOW A
11 CENTRAL CREDIT UNION TO LOAN AN AMOUNT NOT IN EXCESS OF 20%
12 OF ITS ASSETS TO ANY ONE MEMBER."

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18 other credit union organized under this chapter and the
19 additional rights and powers specified in this section,
20 notwithstanding any limitations or restrictions found
21 elsewhere in this chapter.

22 (2) A central credit union may make loans to other
23 credit unions, purchase shares of other credit unions, and
24 obtain or acquire the assets and liabilities of any credit
25 union operating in this state which enters into liquidation.

1 (3) A central credit union may invest in and grant
2 loans to associations of credit unions, central funds of
3 credit unions, or organizations chartered to provide service
4 to credit unions.

5 (4) A central credit union may borrow and accept money
6 from any source and issue notes or debentures.

7 (5) A central credit union with corporate
8 shareholdings equal to or in excess of 95% of its total
9 assets may, by vote of its board of directors:

10 (a) elect exemption of insurance on share accounts
11 under the provisions of Title II of the Federal Credit Union
12 Act;

13 ~~(b) borrow from any source an amount not in excess of~~
14 ~~10-times its total assets after deduction of the notes~~
15 ~~payable account; however, with prior written approval of the~~
16 ~~director of the department of business regulation, the~~
17 ~~credit union may exceed such limitation; and~~

18 ~~(c) make loans to any member in an aggregate amount~~
19 ~~not in excess of 20% of the central credit union's total~~
20 ~~assets."~~

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7 32-3-804, MCA, TO ALLOW A CENTRAL CREDIT UNION TO BORROW AN
8 AMOUNT NOT IN EXCESS OF ~~10--TIMES~~ THREE TIMES ITS TOTAL
9 ASSETS LESS NOTES PAYABLE AND MORE THAN ~~10--TIMES~~ THREE TIMES
10 ITS TOTAL ASSETS LESS NOTES PAYABLE WITH PRIOR APPROVAL OF
11 THE DIRECTOR; AND TO ALLOW A CENTRAL CREDIT UNION TO LOAN AN
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9 shareholdings equal to or in excess of 95% of its total
10 assets may, by vote of its board of directors:

11 (a) elect exemption of insurance on share accounts
12 under the provisions of Title II of the Federal Credit Union
13 Act;

14 (b) ~~borrow from any source an amount not in excess of~~
15 ~~10-times~~ THREE TIMES its total assets after deduction of the
16 notes payable account; however, with prior written approval
17 of the director of the department of business regulation,
18 the credit union may exceed such limitation; and

19 (c) ~~make loans to any member in an aggregate amount~~
20 ~~not in excess of 20% of the central credit union's total~~
21 ~~assets."~~

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