

1 HB179  
2 164705-1  
3 By Representatives Butler, Mooney and Nordgren  
4 RFD: Boards, Agencies and Commissions  
5 First Read: 05-MAR-15

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8 SYNOPSIS: This bill would provide that the League of  
9 Southeastern Credit Unions and Affiliates would  
10 provide a list of nominees for appointment to  
11 certain member positions on the Credit Union Board  
12 of the Alabama Credit Union Administration.

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14 A BILL  
15 TO BE ENTITLED  
16 AN ACT

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18 To amend Section 5-17-55, Code of Alabama 1975,  
19 relating to members of the Credit Union Board of the Alabama  
20 Credit Union Administration; to provide that the League of  
21 Southeastern Credit Unions and Affiliates shall provide a list  
22 of nominees for certain member positions appointed by the  
23 Governor.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. Section 5-17-55, Code of Alabama 1975, is  
26 amended to read as follows:

27 "§5-17-55.

1                   "(a) There shall be a Credit Union Board of the  
2 Alabama Credit Union Administration which shall consist of the  
3 administrator, who shall be an ex officio member and chairman  
4 of the board, and seven other persons, appointed by the  
5 Governor, by and with the consent of the Senate, four of which  
6 shall be appointed from a list of nominees submitted by the  
7 ~~Alabama State Credit Union Legislative Forum~~ League of  
8 Southeastern Credit Unions and Affiliates, which shall submit  
9 not less than three nominees for any vacancy. Should the  
10 Governor determine that none of the first three nominees  
11 submitted by the forum for a vacancy on the Credit Union Board  
12 are acceptable, the Governor may reject the three nominees and  
13 the forum shall submit an alternative list of three nominees  
14 to the Governor from which the Governor shall make the  
15 appointment. The remaining three appointments to the Credit  
16 Union Board shall be made by the Governor from a list of  
17 nominees submitted by credit unions at large. No person is  
18 eligible to be nominated or appointed to the Credit Union  
19 Board unless at the time of nomination or appointment, the  
20 person is an officer, director, or manager of a  
21 state-chartered credit union and has at least five years'  
22 experience in the 10 years next preceding appointment as an  
23 officer, director, or manager of a credit union. The position  
24 of any member of the Credit Union Board shall be declared  
25 vacant by the Administrator of the Alabama Credit Union  
26 Administration if the member of the Credit Union Board ceases

1 to serve as an officer, director, or manager of a credit union  
2 chartered under the laws of the State of Alabama.

3 "(b) The seven appointees by the Governor, with the  
4 consent of the Senate, shall serve for the terms designated by  
5 the Governor for each person upon appointment of the persons.  
6 Of the seven persons appointed by the Governor, with the  
7 consent of the Senate, three persons shall serve terms  
8 expiring on February 1 of the first year following passage  
9 hereof, two persons shall serve terms expiring on February 1  
10 of the second year following passage hereof and two persons  
11 shall serve terms expiring on February 1 of the third year  
12 following passage hereof. Successors shall be appointed by the  
13 Governor, with the consent of the Senate, for terms of three  
14 years each, so that the terms of two or three of the seven  
15 appointed members will expire on February 1 of each year. Upon  
16 the expiration of their terms of office, members of the board  
17 shall continue to serve until their successors are appointed  
18 and have qualified.

19 "(c) If a member of the Credit Union Board of the  
20 Alabama Credit Union Administration fails to attend regular  
21 meetings of the board for three consecutive meetings, or  
22 otherwise fails to perform the duties devolving upon him or  
23 her as a member of the Credit Union Board of the Alabama  
24 Credit Union Administration, is convicted of a felony or any  
25 other crime involving moral turpitude, or ceases to be an  
26 officer, director, or manager of a credit union, the office of  
27 the member shall be declared vacant by the administrator. The

1 office of the board member shall be deemed to be vacated on  
2 the thirty-first day after mailing of a notice to the board  
3 member that his or her position is being vacated unless the  
4 board member files an appeal with the Credit Union Board prior  
5 to the thirty-first day after mailing of notice. Except that  
6 no appeal is authorized if the member's position is declared  
7 vacant by reason of conviction of a felony or a crime  
8 involving moral turpitude.

9 "Any person who is notified that his or her position  
10 on the board has been declared vacant by the administrator  
11 may, within 30 days after mailing of the notice that the  
12 position has been declared vacant, appeal to the other members  
13 of the Credit Union Board by written notice of appeal received  
14 by the administrator within the time period.

15 "Upon a finding of good cause for the failure to  
16 attend meetings or otherwise perform duties, or upon a finding  
17 that there is a compelling reason for reinstating the member,  
18 a majority of board members may reinstate the person to the  
19 position. When the member appeals to the Credit Union Board,  
20 unless reinstated by the board within 30 days after appeal,  
21 the position on the board shall be deemed to be vacant on the  
22 thirty-first day after receipt by the administrator of the  
23 member's written notice of the appeal. The administrator shall  
24 call a meeting to hear the appeal within 30 days after receipt  
25 of the notice of appeal. The board member who has received  
26 notice that the position will be declared vacant shall have  
27 the right to present at any hearing dealing with the position

1 being declared vacant, but shall not have the right to vote on  
2 any issue until he or she is reinstated by the Credit Union  
3 Board.

4 "(d) If by reason of death, resignation, removal  
5 from office or otherwise a vacancy occurs on the Credit Union  
6 Board, the vacancy shall be filled by appointment of the  
7 Governor and the appointee shall hold office until the Senate  
8 meets and passes on the appointment. If the appointment is  
9 disapproved by the Senate, another appointment shall be made  
10 by the Governor, and appointments must be made in like manner  
11 until an appointment is confirmed by the Senate. Any person so  
12 appointed shall serve the balance of the unexpired term for  
13 which the appointment is made. The seven appointed members of  
14 the Credit Union Board shall be persons of good character.  
15 Five of the seven shall have at least five years' experience  
16 in the 10 years next preceding appointment to the Credit Union  
17 Board either as an officer, director, or manager of a credit  
18 union organized under the laws of the State of Alabama.

19 "(e) An appeal may be taken to the Credit Union  
20 Board from any finding, ruling, order, decision or the final  
21 action of the administrator by any credit union which feels  
22 aggrieved thereby. Notice of appeal shall be filed with the  
23 administrator within 30 days after the findings, ruling,  
24 order, decision or other action. The notice shall contain a  
25 brief statement of the pertinent facts upon which the appeal  
26 is grounded. The Credit Union Board shall fix a date, time and  
27 place for hearing the appeal, within 60 days after it is

1 filed, and shall notify the credit union or its attorney of  
2 record thereof at least 30 days prior to the date of the  
3 hearing. The finding of the Credit Union Board shall be  
4 strictly advisory in nature."

5 Section 2. This act shall become effective  
6 immediately following its passage and approval by the  
7 Governor, or its otherwise becoming law.