

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

1 ENGROSSED

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4 A BILL  
5 TO BE ENTITLED  
6 AN ACT  
7

8 To amend Section 5-17-55, Code of Alabama 1975,  
9 relating to members of the Credit Union Board of the Alabama  
10 Credit Union Administration; to provide that the League of  
11 Southeastern Credit Unions and Affiliates shall provide a list  
12 of nominees for certain member positions appointed by the  
13 Governor.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

17 "§5-17-55.

18 ~~"(a) There shall be a Credit Union Board of the~~  
19 ~~Alabama Credit Union Administration which shall consist of the~~  
20 ~~administrator, who shall be an ex officio member and chairman~~  
21 ~~of the board, and seven other persons, appointed by the~~  
22 ~~Governor, by and with the consent of the Senate, four of which~~  
23 ~~shall be appointed from a list of nominees submitted by the~~  
24 ~~Alabama State Credit Union Legislative Forum League of~~  
25 ~~Southeastern Credit Unions and Affiliates, which shall submit~~  
26 ~~not less than three nominees for any vacancy. Should the~~  
27 ~~Governor determine that none of the first three nominees~~

1 submitted by the forum for a vacancy on the Credit Union Board  
2 are acceptable, the Governor may reject the three nominees and  
3 the forum shall submit an alternative list of three nominees  
4 to the Governor from which the Governor shall make the  
5 appointment. The remaining three appointments to the Credit  
6 Union Board shall be made by the Governor from a list of  
7 nominees submitted by credit unions at large. No person is  
8 eligible to be nominated or appointed to the Credit Union

9 "(a) There shall be a Credit Union Board of the  
10 Alabama Credit Union Administration which shall consist of the  
11 administrator, who shall be an ex officio member and chairman  
12 of the board, and seven other persons, appointed by the  
13 Governor, by and with the consent of the Senate, four of which  
14 shall be appointed from a list of nominees submitted by the  
15 Alabama State Credit Union Legislative Forum League of  
16 Southeastern Credit Unions and Affiliates Credit Union Board  
17 of the Alabama Credit Union Administration, in consultation  
18 with the League of Southeastern Credit Union or its successor  
19 organization, which shall submit not less than three nominees  
20 for any vacancy. Should the Governor determine that none of  
21 the first three nominees submitted by the forum Credit Union  
22 Board for a vacancy on the Credit Union Board are acceptable,  
23 the Governor may reject the three nominees and the forum  
24 Credit Union Board shall submit an alternative list of three  
25 nominees to the Governor from which the Governor shall make  
26 the appointment. The remaining three appointments to the  
27 Credit Union Board shall be made by the Governor from a list

1 of nominees submitted by credit unions at large. No person is  
2 eligible to be nominated or appointed to the Credit Union  
3 Board unless at the time of nomination or appointment, the  
4 person is an officer, director, or manager of a  
5 state-chartered credit union and has at least five years'  
6 experience in the 10 years next preceding appointment as an  
7 officer, director, or manager of a credit union. The position  
8 of any member of the Credit Union Board shall be declared  
9 vacant by the Administrator of the Alabama Credit Union  
10 Administration if the member of the Credit Union Board ceases  
11 to serve as an officer, director, or manager of a credit union  
12 chartered under the laws of the State of Alabama.

13 " (b) The seven appointees by the Governor, with the  
14 consent of the Senate, shall serve for the terms designated by  
15 the Governor for each person upon appointment of the persons.  
16 Of the seven persons appointed by the Governor, with the  
17 consent of the Senate, three persons shall serve terms  
18 expiring on February 1 of the first year following passage  
19 hereof, two persons shall serve terms expiring on February 1  
20 of the second year following passage hereof and two persons  
21 shall serve terms expiring on February 1 of the third year  
22 following passage hereof. Successors shall be appointed by the  
23 Governor, with the consent of the Senate, for terms of three  
24 years each, so that the terms of two or three of the seven  
25 appointed members will expire on February 1 of each year. Upon  
26 the expiration of their terms of office, members of the board

1 shall continue to serve until their successors are appointed  
2 and have qualified.

3 "(c) If a member of the Credit Union Board of the  
4 Alabama Credit Union Administration fails to attend regular  
5 meetings of the board for three consecutive meetings, or  
6 otherwise fails to perform the duties devolving upon him or  
7 her as a member of the Credit Union Board of the Alabama  
8 Credit Union Administration, is convicted of a felony or any  
9 other crime involving moral turpitude, or ceases to be an  
10 officer, director, or manager of a credit union, the office of  
11 the member shall be declared vacant by the administrator. The  
12 office of the board member shall be deemed to be vacated on  
13 the thirty-first day after mailing of a notice to the board  
14 member that his or her position is being vacated unless the  
15 board member files an appeal with the Credit Union Board prior  
16 to the thirty-first day after mailing of notice. Except that  
17 no appeal is authorized if the member's position is declared  
18 vacant by reason of conviction of a felony or a crime  
19 involving moral turpitude.

20 "Any person who is notified that his or her position  
21 on the board has been declared vacant by the administrator  
22 may, within 30 days after mailing of the notice that the  
23 position has been declared vacant, appeal to the other members  
24 of the Credit Union Board by written notice of appeal received  
25 by the administrator within the time period.

26 "Upon a finding of good cause for the failure to  
27 attend meetings or otherwise perform duties, or upon a finding

1 that there is a compelling reason for reinstating the member,  
2 a majority of board members may reinstate the person to the  
3 position. When the member appeals to the Credit Union Board,  
4 unless reinstated by the board within 30 days after appeal,  
5 the position on the board shall be deemed to be vacant on the  
6 thirty-first day after receipt by the administrator of the  
7 member's written notice of the appeal. The administrator shall  
8 call a meeting to hear the appeal within 30 days after receipt  
9 of the notice of appeal. The board member who has received  
10 notice that the position will be declared vacant shall have  
11 the right to present at any hearing dealing with the position  
12 being declared vacant, but shall not have the right to vote on  
13 any issue until he or she is reinstated by the Credit Union  
14 Board.

15 "(d) If by reason of death, resignation, removal  
16 from office or otherwise a vacancy occurs on the Credit Union  
17 Board, the vacancy shall be filled by appointment of the  
18 Governor and the appointee shall hold office until the Senate  
19 meets and passes on the appointment. If the appointment is  
20 disapproved by the Senate, another appointment shall be made  
21 by the Governor, and appointments must be made in like manner  
22 until an appointment is confirmed by the Senate. Any person so  
23 appointed shall serve the balance of the unexpired term for  
24 which the appointment is made. The seven appointed members of  
25 the Credit Union Board shall be persons of good character.  
26 Five of the seven shall have at least five years' experience  
27 in the 10 years next preceding appointment to the Credit Union

1 Board either as an officer, director, or manager of a credit  
2 union organized under the laws of the State of Alabama.

3 "(e) An appeal may be taken to the Credit Union  
4 Board from any finding, ruling, order, decision or the final  
5 action of the administrator by any credit union which feels  
6 aggrieved thereby. Notice of appeal shall be filed with the  
7 administrator within 30 days after the findings, ruling,  
8 order, decision or other action. The notice shall contain a  
9 brief statement of the pertinent facts upon which the appeal  
10 is grounded. The Credit Union Board shall fix a date, time and  
11 place for hearing the appeal, within 60 days after it is  
12 filed, and shall notify the credit union or its attorney of  
13 record thereof at least 30 days prior to the date of the  
14 hearing. The finding of the Credit Union Board shall be  
15 strictly advisory in nature."

16 Section 2. This act shall become effective  
17 immediately following its passage and approval by the  
18 Governor, or its otherwise becoming law.

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House of Representatives

Read for the first time and re-  
ferred to the House of Representa-  
tives committee on Boards, Agencies  
and Commissions..... . . . . . 05-MAR-15

Read for the second time and placed  
on the calendar 1 amendment ..... . . . . . 18-MAR-15

Read for the third time and passed  
as amended..... . . . . . 09-APR-15

Yeas 87, Nays 0, Abstains 5

Jeff Woodard  
Clerk