

February 13, 2013

The Honorable Rob Olson, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 225-E
Topeka, Kansas 66612

Dear Senator Olson:

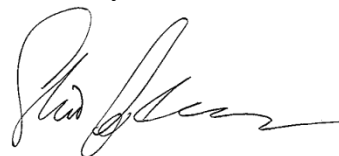
SUBJECT: Fiscal Note for SB 113 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 113 is respectfully submitted to your committee.

Under current law, loans above \$20,000 made to credit union directors, credit committee members, supervisory committee members, or other loans made to members with a director or committee member acting as a guarantor or endorser are required to get approval from the credit union board of directors. SB 113 would increase the threshold requiring board approval from \$20,000 to \$50,000. The bill would require that this type of loan be reported to the Department of Credit Unions Administrator at least annually, instead of semiannually. The bill would also eliminate outdated language concerning certain farm loans.

The Department of Credit Unions indicates that the passage SB 113 would have no fiscal effect on its operations.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: John Smith, Credit Unions