

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

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ENROLLED, An Act,

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

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

"§5-17-55.

~~"(a) There shall be a Credit Union Board of the Alabama Credit Union Administration which shall consist of the administrator, who shall be an ex officio member and chairman of the board, and seven other persons, appointed by the Governor, by and with the consent of the Senate, four of which shall be appointed from a list of nominees submitted by the Alabama State Credit Union Legislative Forum League of Southeastern Credit Unions and Affiliates, which shall submit not less than three nominees for any vacancy. Should the Governor determine that none of the first three nominees submitted by the forum for a vacancy on the Credit Union Board are acceptable, the Governor may reject the three nominees and the forum shall submit an alternative list of three nominees~~

1 to the Governor from which the Governor shall make the
2 appointment. The remaining three appointments to the Credit
3 Union Board shall be made by the Governor from a list of
4 nominees submitted by credit unions at large. No person is
5 eligible to be nominated or appointed to the Credit Union

6 "(a) There shall be a Credit Union Board of the
7 Alabama Credit Union Administration which shall consist of the
8 administrator, who shall be an ex officio member and chairman
9 of the board, and seven other persons, appointed by the
10 Governor, by and with the consent of the Senate, four of which
11 shall be appointed from a list of nominees submitted by the
12 Alabama State Credit Union Legislative Forum League of
13 Southeastern Credit Unions and Affiliates Credit Union Board
14 of the Alabama Credit Union Administration, in consultation
15 with the League of Southeastern Credit Union or its successor
16 organization, which shall submit not less than three nominees
17 for any vacancy. Should the Governor determine that none of
18 the first three nominees submitted by the forum Credit Union
19 Board for a vacancy on the Credit Union Board are acceptable,
20 the Governor may reject the three nominees and the forum
21 Credit Union Board shall submit an alternative list of three
22 nominees to the Governor from which the Governor shall make
23 the appointment. The remaining three appointments to the
24 Credit Union Board shall be made by the Governor from a list
25 of nominees submitted by credit unions at large. No person is

1 eligible to be nominated or appointed to the Credit Union
2 Board unless at the time of nomination or appointment, the
3 person is an officer, director, or manager of a
4 state-chartered credit union and has at least five years'
5 experience in the 10 years next preceding appointment as an
6 officer, director, or manager of a credit union. The position
7 of any member of the Credit Union Board shall be declared
8 vacant by the Administrator of the Alabama Credit Union
9 Administration if the member of the Credit Union Board ceases
10 to serve as an officer, director, or manager of a credit union
11 chartered under the laws of the State of Alabama.

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

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

17 "(d) If by reason of death, resignation, removal
18 from office or otherwise a vacancy occurs on the Credit Union
19 Board, the vacancy shall be filled by appointment of the
20 Governor and the appointee shall hold office until the Senate
21 meets and passes on the appointment. If the appointment is
22 disapproved by the Senate, another appointment shall be made
23 by the Governor, and appointments must be made in like manner
24 until an appointment is confirmed by the Senate. Any person so
25 appointed shall serve the balance of the unexpired term for

1 which the appointment is made. The seven appointed members of
2 the Credit Union Board shall be persons of good character.
3 Five of the seven shall have at least five years' experience
4 in the 10 years next preceding appointment to the Credit Union
5 Board either as an officer, director, or manager of a credit
6 union organized under the laws of the State of Alabama.

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

20 Section 2. This act shall become effective
21 immediately following its passage and approval by the
22 Governor, or its otherwise becoming law.

