

## CHAPTER 99

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**FINANCIAL INSTITUTIONS**


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## SENATE BILL 16-125

BY SENATOR(S) Holbert, Grantham, Jahn, Kerr, Lambert, Scheffel, Scott, Woods;  
also REPRESENTATIVE(S) Kraft-Tharp, Lontine, Nordberg, Pabon, Pettersen, Priola, Rosenthal, Roupe, Ryden.

**AN ACT**

**CONCERNING THE GOVERNANCE OF CREDIT UNIONS, AND, IN CONNECTION THEREWITH, AUTHORIZING THE APPOINTMENT OF AN AUDIT COMMITTEE IN LIEU OF A SUPERVISORY COMMITTEE AND ALLOWING THE REASONABLE COMPENSATION OF A DIRECTOR FOR HIS OR HER SERVICE TO THE CREDIT UNION.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, **amend** 11-30-108 as follows:

**11-30-108. Elections.** (1) At the annual meeting, or by other proper balloting within thirty days before and twenty days after the annual meeting, the credit union members shall elect from the membership a board of directors of not less than five members. A supervisory committee of not less than three members and a credit committee of not less than three members or a credit officer shall be elected by the credit union members or appointed by the board of directors as provided in the bylaws of the credit union. All such persons shall hold office for such terms respectively as the bylaws provide and until successors are elected or appointed and qualify. In addition, one or more alternate members of the credit committee may be elected by the credit union members or appointed by the board of directors to serve in the absence of members of the credit committee. No member shall hold more than one elected office simultaneously. A record of the names and addresses of the members of the board and such committees, such alternates, and the officers shall be filed with the commissioner within twenty days after their election or appointment.

(2) NOTWITHSTANDING SUBSECTION (1) OF THIS SECTION, THE BOARD OF DIRECTORS MAY, AS PROVIDED IN THE BYLAWS, APPOINT AN AUDIT COMMITTEE IN LIEU OF A SUPERVISORY COMMITTEE TO CARRY OUT THE DUTIES AND RESPONSIBILITIES OF THE SUPERVISORY COMMITTEE AS CONTAINED IN SECTION

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

11-30-111. A RECORD OF THE NAMES AND ADDRESSES OF THE MEMBERS OF THE AUDIT COMMITTEE MUST BE FILED WITH THE COMMISSIONER WITHIN TWENTY DAYS AFTER THEIR ELECTION OR APPOINTMENT.

**SECTION 2.** In Colorado Revised Statutes, 11-30-109, **amend** (3) as follows:

**11-30-109. Directors and officers - compensation.** (3) ~~The treasurer may be compensated for his service as treasurer. No other member of the board of directors or of any committee shall, as such, be compensated; except that reasonable health, accident, or similar insurance protection, and the reimbursement of reasonable expenses incurred in the execution of the duties of the position, shall not be considered compensation.~~ A CREDIT UNION MAY REASONABLY COMPENSATE A DIRECTOR FOR HIS OR HER SERVICES TO THE CREDIT UNION. PROVIDING REASONABLE LIFE, HEALTH, ACCIDENT, AND SIMILAR INSURANCE PROTECTION IS NOT CONSIDERED COMPENSATION. DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS MAY BE REIMBURSED FOR NECESSARY EXPENSES INCIDENTAL TO THE PERFORMANCE OF THE OFFICIAL BUSINESS OF THE CREDIT UNION.

**SECTION 3. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2016 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: April 15, 2016