

By the Committee on Banking and Insurance and Senator Laurent

311-1955-98

1 A bill to be entitled
2 An act relating to conversion of credit unions;
3 prohibiting the Department of Banking and
4 Finance from approving the conversion of
5 federally chartered credit unions to
6 state-chartered credit unions except under
7 certain circumstances; providing criteria;
8 providing an effective date.

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10 Be It Enacted by the Legislature of the State of Florida:

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12 Section 1. (1) The Department of Banking and Finance
13 shall not approve an application by a federally chartered
14 credit union currently doing business in this state for
15 conversion to a state charter pursuant to section 657.066,
16 Florida Statutes, unless a completed application for
17 conversion was on file with the department on February 25,
18 1998.

19 (2) The prohibition specified in subsection (1) shall
20 terminate on July 1, 1999, unless the Comptroller determines
21 before such date by an order of general application that it is
22 in the public interest to accept and approve charter
23 conversion applications and identifies a procedure for the
24 acceptance and processing of such conversion applications. In
25 making such determination, the Comptroller shall consider:

26 (a) Whether the United States Congress has amended the
27 Federal Credit Union Act, 12 U.S.C. s. 1751 et seq.,
28 subsequent to the enactment of this section and, if so, the
29 effect such amendments have or may have on the relative
30 competitive positions of state-chartered and federally
31 chartered credit unions.

1 (b) Whether, and the extent to which, this state will
2 be able to assume the costs of examination and supervision for
3 any newly converted institutions.

4 (c) Such other factors as the Comptroller deems
5 relevant to the maintenance of a fair and competitive
6 financial system in this state.

7 Section 2. This act shall take effect upon becoming a
8 law.

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10 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
11 COMMITTEE SUBSTITUTE FOR
12 Senate Bill 2300

13 Deletes provision that requires the President of the Senate
14 and the Speaker of the House of Representatives to concur in
15 the Comptroller's order to allow approval of an application by
a federally chartered credit union for conversion to a state
charter.

16 Provides specific standards for the Comptroller for the
17 acceptance and processing of such conversion applications.

18 Requires the Comptroller to consider certain specified factors
19 and such other factors deemed relevant to the maintenance of a
fair and competitive financial system in Florida in making
such a determination.