

By the Committee on Financial Services and Representatives
Safley, Bainter, Lawson, Flanagan and Sanderson

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 s. 657.066, Florida
 16 Statutes, unless a completed application for conversion was on
 17 file with the department on February 25, 1998.

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

25 (a) Whether the United States Congress has amended the
 26 Federal Credit Union Act, 12 U.S.C. s.1751 et seq., subsequent
 27 to the enactment of this section, and, if so, the effect such
 28 amendments have or may have on the relative competitive
 29 positions of state-chartered and federally-chartered credit
 30 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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11 HOUSE SUMMARY

12 Prohibits the Department of Banking and Finance from
13 approving applications for conversion of
14 federally-chartered credit unions to state-chartered
15 credit unions except under specified circumstances and
16 within specified limitations. See bill for details.
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