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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To amend the Federal Credit Union Act to modify the frequency of board of directors meetings, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. VARGAS introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Federal Credit Union Act to modify the frequency of board of directors meetings, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Credit Union Board
5 Modernization Act”.

6 **SEC. 2. FREQUENCY OF BOARD OF DIRECTORS MEETINGS.**

7 Section 113 of the Federal Credit Union Act (12
8 U.S.C. 1761b) is amended—

1 (1) by striking “monthly” each place such term
2 appears;

3 (2) in the matter preceding paragraph (1), by
4 striking “The board of directors” and inserting the
5 following:

6 “(a) IN GENERAL.—The board of directors”;

7 (3) in subsection (a) (as so designated), by
8 striking “shall meet at least once a month and”; and

9 (4) by adding at the end the following:

10 “(b) MEETINGS.—The board of directors of a Federal
11 credit union shall meet as follows:

12 “(1) With respect to a de novo Federal credit
13 union, not less frequently than monthly during each
14 of the first five years of the existence of such Fed-
15 eral credit union.

16 “(2) Not less than six times annually, with at
17 least one meeting held during each fiscal quarter,
18 with respect to a Federal credit union—

19 “(A) with composite rating of either 1 or
20 2 under the Uniform Financial Institutions
21 Rating System (or an equivalent rating under a
22 comparable rating system); and

23 “(B) with a capability of management rat-
24 ing under such composite rating of either 1 or
25 2.

1 “(3) Not less frequently than once a month,
2 with respect to a Federal credit union—

3 “(A) with composite rating of either 3, 4,
4 or 5 under the Uniform Financial Institutions
5 Rating System (or an equivalent rating under a
6 comparable rating system); or

7 “(B) with a capability of management rat-
8 ing under such composite rating of either 3, 4,
9 or 5.”.