

ACT 88

H.B. NO. 1130

A Bill for an Act Relating to State Chartered Credit Unions.

Be it Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 410-13, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) The board shall:

- (1) Act upon applications for membership; provided that the board may appoint at its pleasure one or more persons from among the general membership to serve as membership officers, who may act upon applications for membership within limitations established by the board;
- (2) Purchase a blanket fidelity bond, as prescribed by the commissioner for the credit union according to their asset categories, covering the officers, directors, committeemen, employees, attorneys-at-law, and other agents appointed by the board of directors, with protection against loss caused by dishonesty, burglary, robbery, larceny, theft, forgery, or alteration of instruments, misplacement or mysterious disappearance, and for faithful performance of duty. The commissioner shall prescribe in his rules and regulations the amount of minimum bond coverage required for all credit unions according to their asset categories;
- (3) Fill vacancies in the board until successors elected at the next annual meeting have qualified;
- (4) Have charge of investments other than loans to members;
- (5) Determine from time to time the maximum number of shares that may be held by an individual member;
- (6) Subject to the limitations of this chapter, determine the interest rates on loans and the maximum amount which may be loaned with or without security to any member;
- (7) Subject to such regulations as may be issued by the commissioner, authorize an interest refund to members of record at the close of business on the last day of any dividend period in proportion to the interest paid by them during the dividend period;
- (8) Provide for compensation of necessary clerical and auditing assistance requested by the audit committee, and of loan officers appointed by the credit committee;
- (9) Declare dividends as provided by section 410-24;
- (10) Authorize the employment and compensation of such person or persons as may be necessary to carry on the business of the credit union;
- (11) Designate a depository or depositories for the funds of the credit union;
- (12) Suspend from his official position any officer or director who fails to attend regular meetings for three consecutive meetings without cause, or who otherwise fails to perform any of the duties required of him as an official;
- (13) Appoint any committees deemed necessary;
- (14) Perform or authorize any action consistent with this chapter not specifically reserved by this chapter for the members, and perform such other duties as the members may from time to time require; and
- (15) Submit reports of financial condition to the commissioner annually as of December 31 and other reports as required by the commissioner. These reports shall be submitted to the commissioner by January 31 after the close of the preceding calendar year."

ACT 88

SECTION 2. New statutory material is underscored. In printing this Act, the revisor of statutes need not include the underscoring.*

SECTION 3. This Act shall take effect upon its approval.

(Approved May 14, 1975.)

*Edited accordingly.