

Senate Commerce Committee
Angela Leach 271-3077

SB 246-FN, relative to credit union branching authority.

Hearing Date: February 14, 2017

Members of the Committee Present: Senators Innis, French, Sanborn, Soucy and Lasky

Members of the Committee Absent : None

Bill Analysis: This bill modifies the branching authority of foreign credit unions in the state.

Sponsors:

Sen. Bradley

Sen. Soucy

Rep. Butler

Rep. Hunt

Who supports the bill: Sponsor, Jerry Little- Banking Department, Tim Collia- Northeast Credit Union, Maurice Simarus-Triangle Credit Union, Paul Gentile-NH Credit Unions

Who opposes the bill: None

Summary of testimony presented:

Senator Sanborn stated that because of the new ethics laws, he may or may not have a conflict with this bill but will be participating.

Senator Bradley- PRIME- Was asked to sponsor this bill in order to facilitate a merger of a state credit union with an out of state credit union. Currently the way the statute is written that would not be allowed. NH Bankers Association and Credit Unions are supportive.

Tim Collia-- President of Northeast Credit Union- Allow state chartered credit unions in the state of NH to expand beyond NH borders, under the supervision of the NH Banking Department.

Maurice Simarus- President of Triangle Credit Union- The reciprocity clause in the current regulation slows the process down. Commissioner Little from the banking department will be given the authority to oversee the process.

Jerry Little-Commissioner of Banking Department- In 2014, the legislature did a complete recodification of banking department statutes, one of the issues was reciprocity. If an institution wants to branch across state lines the host state needs to have rules and regulations similar to those of the state of NH. During the recodification, the banking industry requested to have reciprocity removed from their statutes, the credit unions were also asked. The credit unions were uncertain at that time. This legislation will simply remove the language regarding credit unions and reciprocity which was already removed for banking institutions. A number of situations being held up pending this change, would like to move the bill forward quickly.

Senator Innis- Doesn't this legislation make credit unions look even more like banks.

Commissioner Little -I don't think it makes credit unions look more like banks, unless we want to restricts their ability to grow into other geographic areas. Good responsive regulation and government.

Future Action: Ought to PassAJLDate Hearing Report completed: February 15, 2017