

Assembly Bill No. 1282

Passed the Assembly May 9, 2013

Chief Clerk of the Assembly

Passed the Senate July 8, 2013

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2013, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 14351 of the Financial Code, relating to financial institutions.

LEGISLATIVE COUNSEL'S DIGEST

AB 1282, Bonta. Financial institutions: credit unions.

Existing law, the California Credit Union Law, provides for the regulation of credit unions. Existing law prohibits membership shares, certificates for funds, or other securities from being issued by any credit union until it has applied for and obtained a certificate authorizing it to act as a credit union.

Existing law authorizes the Commissioner of Financial Institutions until July 1, 2013, and thereafter the Deputy Commissioner of Business Oversight for the Division of Financial Institutions pursuant to Governor's Reorganization Plan No. 2 of 2012, to annually levy on and collect from credit unions holding certificates authorizing them to act as credit unions an assessment in an amount sufficient to meet the expenses for administering this law and other laws relating to credit unions or the credit union business and in order to provide a reasonable reserve for contingencies. Under existing law, the amount of the annual assessment is required to be the greater of \$1,500 or the sum of the products determined by multiplying increments of the credit union's total assets by percentages of the base assessment rate according to a table with increments of total assets up to an excess over \$10,000,000.

This bill would require the amount of the annual assessment to be the greater of \$2,000 or the sum of the products determined by multiplying increments of the credit union's total assets by percentages of the base assessment rate according to a newly established table with increments of total assets up to an excess of over \$10,000,000,000.

The people of the State of California do enact as follows:

SECTION 1. Section 14351 of the Financial Code is amended to read:

14351. (a) The amount of the annual assessment on any credit union holding a certificate authorizing it to act as a credit union shall be the greater of (1) two thousand dollars (\$2,000) or (2) the sum of the products determined by multiplying (A) increments of the credit union's total assets by (B) percentages of the base assessment rate, according to the following table:

Total Assets	Percentage of Base Assessment Rate
\$0-\$3,000,000	85.0%
\$3,000,000-\$6,000,000	25.0%
\$6,000,000-\$10,000,000	13.0%
\$10,000,000-\$100,000,000	12.5%
\$100,000,000-\$500,000,000	12.25%
\$500,000,000-\$1,000,000,000	12.0%
\$1,000,000,000-\$2,000,000,000	11.5%
\$2,000,000,000-\$5,000,000,000	8.0%
\$5,000,000,000-\$10,000,000,000	3.5%
Excess over \$10,000,000,000	3.0%

(b) The base assessment rate for each annual assessment shall be fixed by the commissioner but shall not exceed two dollars and twenty cents (\$2.20) per one thousand dollars (\$1,000) of total assets.

Approved _____, 2013

Governor