AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 6889
OFFERED BY MR. VARGAS OF CALIFORNIA

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

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

SEC. 2. FREQUENCY OF BOARD OF DIRECTORS MEETINGS.

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

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

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

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

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

(4) by adding at the end the following:

“(b) MEETINGS.—The board of directors of a Federal credit union shall meet as follows:
“(1) With respect to a de novo Federal credit union, not less frequently than monthly during each of the first five years of the existence of such Federal credit union.

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

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

“(B) with a capability of management rating under such composite rating of either 1 or 2.

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

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

“(B) with a capability of management rating under such composite rating of either 3, 4, or 5.”.