



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [S.B. 390 of the 130th G.A.](#)

Date: December 1, 2014

Status: As Introduced

Sponsor: Sens. Hughes and Seitz

Local Impact Statement Procedure Required: No

Contents: Modifies the law governing credit union share guaranty corporations

State Fiscal Highlights

- The bill modifies the law governing credit union share guaranty corporations. The Department of Commerce and the Department of Insurance may incur minimal administrative costs for their additional oversight responsibilities under the bill.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill makes a number of changes to the law governing the operation of credit union share guaranty corporations. These entities provide private share insurance to credit unions. They are regulated by the Department of Commerce (COM) and the Department of Insurance (INS). Currently, there is one such corporation operating in Ohio. Under COM, a credit union share guaranty corporation pays an annual fee of 0.5% of its guarantee fund as shown by the corporation's last annual financial report, but the fee does not exceed \$25,000 per year. Fees are deposited into the Credit Unions Fund (Fund 5520). Additionally, credit union share guaranty corporations are subject to a multi-year examination and annual licensure by INS. The provisions in the bill do not have a substantial fiscal impact; that is, they will result in only minimal administrative costs for the two state agencies that have regulatory oversight. For further details on each provision, see the LSC Bill Analysis.

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