



State of Tennessee
PUBLIC CHAPTER NO. 59

SENATE BILL NO. 587

By Johnson

Substituted for: House Bill No. 258

By Sargent, Joe Carr, Casada, Durham

AN ACT to amend Tennessee Code Annotated, Title 45, Chapter 4, relative to the compensation of board and committees.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-4-205, is amended by deleting the section in its entirety and by substituting instead the following:

(a) No member of the credit or supervisory committee shall receive any compensation for services as a member of the committee.

(b) As an alternative to the reimbursement for members of the board of directors in subsection (c), each member of the board of directors may be compensated subject to the following conditions:

(1) The board shall adopt a resolution stating that the credit union requires expertise among board members for the prudent general management of the affairs, funds and records of the credit union;

(2) Such compensation shall be payable to board members elected after the adoption of the resolution above;

(3) The credit union shall adopt a policy governing the participation and attendance that a board member shall comply with in order to receive compensation; and

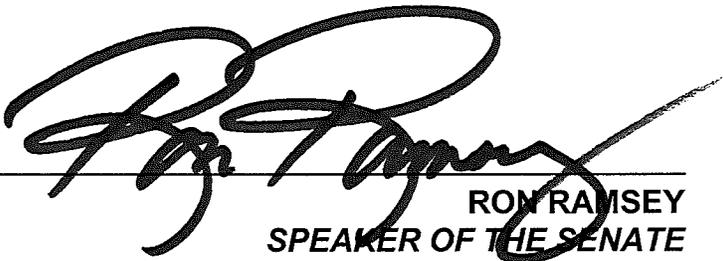
(4) The annual report of the credit union's income and expenses shall include board member compensation as a specific expense item.

(c) Notwithstanding subsection (a), the board of directors may provide that the credit union shall reimburse any member of the board of directors or the credit or supervisory committee for any loss of earnings caused by time spent in the service of the credit union, in an amount that the board of directors may determine, not to exceed the amount of the lost earnings.

SECTION 2. This act shall take effect July 1, 2013, the public welfare requiring it.

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PASSED: March 7, 2013



RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 26th day of March 2013



BILL HASLAM, GOVERNOR