



Kansas Credit Union Association

A Government Relations Division of Cornerstone

Date: March 11, 2024

To: Chairman Nick Hoheisel
House Committee on Financial Institutions & Pensions

From: Michael Murray, Executive Director
Kansas Credit Union Association

Re: Proponent Written Testimony – HB 2812

Mr. Chairman and Members of the Committee,

Thank you for the opportunity to offer proponent testimony for this effort to modernize the Uniform Consumer Credit Code (UCCC). My name is Michael Murray representing the Kansas Credit Union Association. Our association's membership consists of 67 credit unions across the state serving over 780,000 Kansans. We advocate for the interests of those members in Topeka as well as Washington DC. On both the state and federal level one of the primary inhibitors to a financial institution's success is overburdensome or confusing regulation. You have an opportunity to modernize and refuse some of that confusion with SB 495.

Modernization Is Necessary

The Uniform Consumer Credit Code, established in the 1973, is applicable to all consumer credit transactions including but not limited to consumer loans, leases and other personal transactions. This largely affects financial institutions the same regardless of their structure and we appreciate the effort of this committee to bring leaders from across the financial services industry together to consider updates. Over time, changes to relevant federal statute and updates to other states' UCCC provisions have disrupted the intended uniformity of the code. This ranges from substantive differences to preferred nomenclature that has changed over time.

The changes proposed by HB 2812 to the UCCC, and Kansas Mortgage Business Act (KMBA) do not single out or hinder one financial institution or another whether it is a not-for-profit cooperative like a credit union or a bank. Once again, we appreciate the effort of this committee and the Office of the State Bank Commissioner for consulting with stakeholders from across the financial services sector in Kansas to move forward with this modernization bill.

Thank you for your consideration. We request that the committee recommends HB 2812 favorably for passage to provide more clarity to credit union industry members in an otherwise increasingly complicated regulatory environment.