Agency Name: Board of Financial Institutions

Statutory Authority: 34-26-210

Document Number: 5293

Proposed in State Register Volume and Issue: 48/8

House Committee: Reg., Admin. Procedures, AI and Cybersecurity

Senate Committee: Banking and Insurance Committee

120 Day Review Expiration Date for Automatic Approval: 01/18/2026

Status: Pending

Subject: Terms and Conditions for State-chartered Credit Union to Make ARM Loans

History: 5293

By Date Action Description Jt. Res. No. Expiration Date

- 08/23/2024 Proposed Reg Published in SR

- 01/14/2025 Received President of the Senate & Speaker 01/18/2026

H 01/14/2025 Referred to Committee

S 01/14/2025 Referred to Committee

S 03/04/2025 Resolution Introduced to Approve 409

Document No. 5293

**STATE BOARD OF FINANCIAL INSTITUTIONS**

CHAPTER 15

Statutory Authority: 1976 Code Section 34‑26‑210

15‑51. Terms and Conditions for State‑chartered Credit Union to Make ARM Loans.

**Synopsis:**

The State Board of Financial Institutions (BOFI) proposes to repeal Regulation 15‑51 as current state law allows greater flexibility.

The Notice of Drafting was published in the *State Register* on June 28, 2024. The Proposed Regulation was published in the *State Register* on August 23, 2024.

**Instructions:**

Repeal the regulation in its entirety.

~~Indicates Matter Stricken~~

Indicates New Matter

**Text:**

15‑51. ~~Terms and Conditions for State‑chartered Credit Union to Make ARM Loans.~~

~~(Statutory Authority: 1976 Code Section 34‑1‑110)~~

 ~~State‑chartered credit unions are permitted to make adjustable rate mortgage loans to its members under the same terms and conditions as permitted federally chartered credit unions by National Credit Union Administration Regulation 12 CFR Part 701, Section 701.21‑6B, dated July 22, 1981.~~

Repealed.

**Fiscal Impact Statement:**

There will be no cost incurred by the State or any of its political subdivisions.

**Statement of Rationale:**

 15‑51 establishes rules for credit unions making adjustable rate mortgage loans. Sections 34‑26‑800 and 34‑26‑810 allow credit unions broad authority to establish terms, purposes, conditions, and interest rates for their loans. This Regulation is unnecessarily restrictive; therefore, BOFI proposes that it be repealed.