

BOROUGH OF RED BANK

COUNTY OF MONMOUTH

RESOLUTION NO. 09-29

**RESOLUTION URGING THE NEW JERSEY LEGISLATURE TO AMEND
THE STATE'S GOVERNMENT UNIT DEPOSITORY PROTECTION ACT (GUDPA)
TO ALLOW CREDIT UNIONS TO BE INCLUDED ON THE STATE'S LIST OF
DEPOSITORIES ELIGIBLE FOR SCHOOL BOARD, MUNICIPAL, COUNTY AND RELATED
GOVERNMENTAL AUTHORITY FUNDS**

Mr. DuPont offered the following resolution and moved its adoption:

WHEREAS, the State Legislature is presently considering S-2357 and A-3508 which respectively seek to amend the State's Government Unit Depository Protection Act (GUDPA) to allow credit unions to be included on the state's list of depositories eligible for school board, municipal, county and related governmental authority funds and

WHEREAS, the legislation also amends the state Credit Union Act of 1984 to enable state chartered credit unions to accept municipal deposits to give them parity with federally chartered credit unions; and

WHEREAS, expanding eligibility to hold municipal deposits to credit unions will promote competition among all providers of government banking services and save taxpayer dollars; and

WHEREAS, like bank and thrift deposits, funds deposited in credit unions are backed by the full faith and credit of the US government through, to the same extent as bank deposits through the National Credit Union Administration (NCUA); and

WHEREAS, credit unions are locally-owned, not-for-profit financial cooperatives, which return all net operating income back to their members. Access to municipal deposits would allow credit unions to further invest in their local communities, via loans to members and local small businesses, keeping tax dollars local.

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of Red Bank Borough, County of Monmouth, State of New Jersey, that the State Legislature is hereby respectfully urged and requested to consider and to pass S-2357 and A-3508 to amend the State's Government Unit Depository Protection Act (GUDPA) to allow credit unions to be included on the state's list of depositories eligible for school board, municipal, county and related governmental authority funds; and

BE IT FURTHER RESOLVED that the Borough Clerk is directed to forward certified copies of this resolution to Senator Beck, Assemblywoman Casagrande, Assemblyman O'Scanlon and to the Speaker of the State Assembly and the Senate President as well as to the Executive Director of the New Jersey State League of Municipalities.

Seconded by Ms. Lewis and adopted on roll call by the following vote:

	Yes	No	Abstain	Absent
Ms. Lewis	(x)	()	()	()
Mr. Zipprich	(x)	()	()	()
Mr. DuPont	(x)	()	()	()
Ms. Horgan	(x)	()	()	()
Ms. Lee	(x)	()	()	()
Mr. Murphy	(x)	()	()	()

Dated: January 12, 2009