

507 S. Grand Ave.

Lansing, MI 48933

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MBA Member Testifies Against 401K Bill

House New Economy and Quality of Life Committee recently took testimony on HB 4135 introduced by Rep. Bieda which would create the MI Retirement Program Act, a retirement program for Michigan businesses and their employees. This retirement program, initially administered by the Department of Management and Budget, would be transferred to a private or non-profit entity within five years. Chris Pigorsh of Founders Bank & Trust testified on behalf of the MBA in opposition to this bill stating there are already retirement plans in place for small businesses that are being offered by the private sector.

“It is not a supply issue, but a demand issue. There are retirement plans available to the employers and employees but even when the employers have offered plans, participants, especially those in small businesses, are not participating in large numbers,” Pigorsh said. “If the state would like to become involved in the retirement process, we would welcome their help in educating the people in the importance of saving for the future while avoiding consumer debt.”

FDIC Requires Banks to Protect Customer Information

The FDIC is reminding banks of their obligation to protect the privacy of customers' nonpublic personal information. The FDIC supervisory policy on identity theft FIL-32-2007 outlines the steps banks should take to help prevent identity theft.

Consumers Concerned About Their Personal Information

In a recent national survey of consumers, 34 percent indicated they are not confident that retailers, credit card companies, banks and other firms are taking the appropriate steps to safeguard personal customer information, while 28 percent said they believe companies are doing a good job of keeping their information safe. An overwhelming majority (91 percent) expressed concern that their identity might be stolen and used to make purchases.

The ABA Focuses on CTR Filing Requirements

The ABA is focusing efforts on legislation that would make anti-terrorist financing efforts more effective and focused by exempting seasoned business customers from CTR filing requirements. According to statistics the number of BSA reports increased by two million from 2005 to 2006.

Advocacy Report

Section 404 Implementation Requirements Under Scrutiny

The Securities and Exchange Commission has agreed to look at ways to streamline the auditing standards required under Sarbanes-Oxley Act's Section 404. The ABA is working with the SEC and PCAOB to make the internal control reporting provisions more efficient and cost-effective. They are also calling for a delay for some filers in the requirements to comply until more testing of the process is completed.

Group Meeting Schedule

Several of the groups have made location and date changes, so please carefully review the schedule.

Group 1 — June 8

Sault St. Marie County Club
(10:00 a.m. business meeting)

Group 2 — June 7

Crystal Mountain Resort, Thompsonville
(11:00 a.m. business meeting)

Group 4 — May 14

Spring Lake County Club, Spring Lake
(6:30 p.m. business meeting)

Group 5 — May 24

PohlCat Golf Course, Mt. Pleasant
(7:00 p.m. business meeting)

Group 6 — May 23

Verona Hills, Bad Axe
(7:00 p.m. business meeting)

Group 7 — June 4

Hawk Hollow, Bath
(4:00 p.m. business meeting)

Group 8 — May 21

Battle Creek Country Club, Battle Creek
(10:00 a.m. business meeting)

Group 9 — May 7

Lenawee Country Club, Adrian
(10:00 a.m. business meeting, guest speaker Howdy Holmes)

Group 10 — May 16

Grosse Pointe Yacht Club
(9:00 a.m. business meeting)

MBA Group Meetings

Group meetings bring bankers together to recap and discuss issues pertinent to banking in Michigan such as taxes and new legislation.

Each group will host a variety of events including breakfast, lunch and dinner meetings. All groups will have a chance to meet with legislators and groups 1,2,6,8, 9 and 10 have invited a guest speaker.

The MBA Service Corporation is sponsoring and managing golf outings, prizes and hole-in-one giveaways for groups 1,2,5,7 and 9. Golf will also be available at groups 4,6 and 8 meetings. In addition, group 2 is hosting a shooting event sponsored by MBASC.



Make sure these dates are reserved on your calendar and don't miss out on the latest legislative and industry information.

Further Action Required — Reps. Kildee, Conyers, McCotter Co-sponsor CURIA

Michigan First Credit Union, Lathrup Village, recently launched a line of business deposit and loan products. The \$455 million CU now offers its members business checking, business loans and lines of credit, merchant credit card services, savings and investment accounts and other service. MBA members have sent over 400 letters to members of the Michigan congressional delegation in their opposition of the 2007 Credit Union Regulatory Improvements Act (H.R. 1537). If passed, H.R. 1537 would grant credit unions increased commercial lending authority, lower capital requirements, loosen credit union's capital standards, increase their cap on business lending from 12.25 percent of total assets to 20 percent and expand their authority to add underserved communities to fields of membership. More action is needed in order to reach the ABA letter goal. The Michigan Credit Union League and their members will likely send over 1,000 letters supporting this legislation. Their efforts must be matched in opposition of this bill.

Reps. John Conyers, D-14th; Dale Kildee, D-5th and Thaddeus McCotter, R-11th, recently co-sponsored CURIA in the new legislative session.

Click [here](#) to send the MBA opposition letter to your elected representatives in Washington, D.C.

Save the Date – MBA Washington, D.C. Delegation, September 25-27

The MBA has confirmed the agenda and details of the 2007 Washington, D.C. delegation. Events scheduled include: Capitol Hill visits with members of the Michigan congressional delegation, meetings with OCC, OTS, FDIC and FED, White House briefing, U.S. Mint tour and an optional limo tour of Washington, D.C. Participants will stay at the Mayflower Renaissance Hotel on Connecticut Avenue N.W. Contact Jordan Kingdon at jkingdon@mibankers.com or 517-342-9073 for more information.

Legislators and Lenders Day a Success

Over 45 MBA bankers participated in Legislators and Lenders Day March 21-22 in downtown Lansing. Bankers attended seminars on political grassroots involvement, current issues briefing and effective lobbying. State Treasurer Robert Kleine provided an update on the current budget crisis and a panel of OFIS executives spoke on regulatory issues and projects. Bankers also met with more than 15 lawmakers over dinner to discuss important industry topics.

MBA Grassroots Meeting With Sen. Mike Prusi in Negaunee



Ken Palmer hosted a grassroots meeting with Sen. Mike Prusi April 12 at Range Bank in Negaunee.

Attending were: Al Koskey, Scott Reilly and Roxanne Daust of Range Bank; Don St. Germaine of Baybank; David Williams of Upper Peninsula State Bank; Bill Stream and Gary Nelson of Peninsula Bank of Ishpeming and Rick Nebel of Peoples State Bank of Munising.

Grassroots News

MBA Grassroots Meeting With Congressman Dave Camp



Jim Hoffman and Ricardo Cobos of Honor State Bank; Doug Wolf of Chase Bank; Jon Catlin of Chemical Bank; Brian Duddles of State Savings Bank and Mike Smock of Wells Fargo Bank attended a grassroots meeting with Congressman Dave Camp April 10 at the Traverse City Chamber of Commerce.

MBA Grassroots Meeting With Senate Majority Leader Michael Bishop



Rebecca Smith, Gregg Christenson and Todd Bailey of Huntington Bank – East Michigan hosted a grassroots meeting with Senate Majority Leader Michael Bishop March 30 in Troy.

Attending were: Kim Schmidt of Community Central Bank; Paul Socia of Citizens State Bank; Vito Pianello and Jim Dunn of The Private Bank; Mary Fowlie of LaSalle Bank; Richard Buss of National City Bank and Mike McLauchlan of Comerica Bank.

MBA Grassroots Meeting With Congresswoman Candice Miller



Vito Pianello of The Private Bank; Kim Schmidt of Community Central Bank; Gregg Christenson of Huntington Bank – East Michigan and Paul Socia of Citizens State Bank attended a grassroots meeting with Congresswoman Candice Miller March 26 at her district office in Shelby Township.