

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5287**

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending sections 622, 1211, and 1223 (MCL 380.622, 380.1211,
and 380.1223), sections 622 and 1223 as amended by 2009 PA 22 and
section 1211 as amended by 2011 PA 317.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 622. (1) The intermediate school board shall select
2 financial institutions for the deposit of school funds. The
3 intermediate school board shall keep a set of coded accounts to be
4 approved by the superintendent of public instruction and shall have
5 its books audited at least annually by a certified public
6 accountant. General operating funds, building and site funds,
7 cooperative education funds, special education funds, vocational-

1 technical education funds, and debt retirement funds shall be
2 maintained separately and shall not be commingled, except that the
3 intermediate school board, by resolution, may authorize the
4 treasurer to combine money from more than 1 fund for the purpose of
5 making an investment authorized by subsection (2)(g).

6 (2) The treasurer of an intermediate school district, if
7 authorized by resolution of the intermediate school board, may
8 invest general operating funds, special education funds, area
9 vocational-technical education funds, building and site funds,
10 cooperative education funds, and debt retirement funds of the
11 district. Investments shall be made subject to subsection (4) and
12 shall be restricted to any of the following:

13 (a) Bonds, bills, or notes of the United States or obligations
14 of this state.

15 (b) Certificates of deposit issued by a financial institution.

16 (c) Commercial paper rated prime at the time of purchase and
17 maturing not more than 270 days after the date of purchase.

18 (d) Securities issued or guaranteed by agencies or
19 instrumentalities of the United States government.

20 (e) United States government or federal agency obligation
21 repurchase agreements.

22 (f) Bankers' acceptances issued by a bank that is a member of
23 the federal deposit insurance corporation.

24 (g) Investment pools, as authorized by the surplus funds
25 investment pool act, 1982 PA 367, MCL 129.111 to 129.118, composed
26 entirely of instruments that are legal for direct investment by an
27 intermediate school district.

1 (h) Mutual funds composed entirely of investment vehicles that
2 are legal for direct investment by an intermediate school district.

3 (i) Certificates of deposit issued in accordance with the
4 following conditions:

5 (i) The funds are initially invested through a financial
6 institution that is not ineligible to be a depository of surplus
7 funds belonging to this state under section 6 of 1855 PA 105, MCL
8 21.146.

9 (ii) The financial institution arranges for the investment of
10 the funds in certificates of deposit in 1 or more insured
11 depository institutions, as defined in 12 USC 1813, or 1 or more
12 insured credit unions, as defined in 12 USC 1752, for the account
13 of the intermediate school district.

14 (iii) The full amount of the principal and any accrued interest
15 of each certificate of deposit is insured by an agency of the
16 United States.

17 (iv) The financial institution acts as custodian for the
18 intermediate school district with respect to each certificate of
19 deposit.

20 (v) At the same time that the funds of the intermediate school
21 district are deposited and the certificate or certificates of
22 deposit are issued, the financial institution receives an amount of
23 deposits from customers of other insured depository institutions or
24 insured credit unions equal to or greater than the amount of the
25 funds initially invested by the intermediate school district
26 through the financial institution.

27 **(J) DEPOSIT ACCOUNTS THAT MEET ALL OF THE FOLLOWING**

1 CONDITIONS:

2 (i) THE FUNDS ARE INITIALLY DEPOSITED IN A FINANCIAL
3 INSTITUTION THAT IS NOT INELIGIBLE TO BE A DEPOSITORY OF SURPLUS
4 FUNDS BELONGING TO THIS STATE UNDER SECTION 6 OF 1855 PA 105, MCL
5 21.146.

6 (ii) THE FINANCIAL INSTITUTION ARRANGES FOR THE DEPOSIT OF THE
7 FUNDS IN DEPOSIT ACCOUNTS IN 1 OR MORE INSURED DEPOSITORY
8 INSTITUTIONS, AS DEFINED IN 12 USC 1813, OR 1 OR MORE INSURED
9 CREDIT UNIONS, AS DEFINED IN 12 USC 1752, FOR THE ACCOUNT OF THE
10 INTERMEDIATE SCHOOL DISTRICT.

11 (iii) THE FULL AMOUNT OF THE PRINCIPAL AND ANY ACCRUED INTEREST
12 OF EACH DEPOSIT ACCOUNT IS INSURED BY AN AGENCY OF THE UNITED
13 STATES.

14 (iv) THE FINANCIAL INSTITUTION ACTS AS CUSTODIAN FOR THE
15 INTERMEDIATE SCHOOL DISTRICT WITH RESPECT TO EACH DEPOSIT ACCOUNT.

16 (v) ON THE SAME DATE THAT THE FUNDS OF THE INTERMEDIATE SCHOOL
17 DISTRICT ARE DEPOSITED UNDER SUBPARAGRAPH (ii), THE FINANCIAL
18 INSTITUTION RECEIVES AN AMOUNT OF DEPOSITS FROM CUSTOMERS OF OTHER
19 INSURED DEPOSITORY INSTITUTIONS OR INSURED CREDIT UNIONS EQUAL TO
20 OR GREATER THAN THE AMOUNT OF THE FUNDS INITIALLY DEPOSITED BY THE
21 INTERMEDIATE SCHOOL DISTRICT IN THE FINANCIAL INSTITUTION.

22 (3) The earnings of an investment shall become a part of the
23 fund from which the investment was made. When money of more than 1
24 fund of a single intermediate school district or money of more than
25 1 intermediate school district are combined for an investment pool
26 authorized by subsection (2)(g), the money shall be accounted for
27 separately, and the earnings from the investment shall be

1 separately and individually computed, recorded, and credited to the
2 fund or intermediate school district, as the case may be, for which
3 the investment was acquired.

4 (4) Notwithstanding subsection (2), additional funds of an
5 intermediate school district shall not be deposited or invested in
6 a financial institution that is not eligible to be a depository of
7 surplus funds belonging to this state under section 6 of 1855 PA
8 105, MCL 21.146.

9 (5) Assets acceptable for pledging to secure deposits of funds
10 under this act are limited to any of the following:

11 (a) Assets considered acceptable to the state treasurer under
12 section 3 of 1855 PA 105, MCL 21.143, to secure deposits of state
13 surplus funds.

14 (b) Any of the following:

15 (i) Securities issued by the federal home loan mortgage
16 corporation.

17 (ii) Securities issued by the federal national mortgage
18 association.

19 (iii) Securities issued by the government national mortgage
20 association.

21 (c) Securities considered acceptable to the intermediate
22 school board and the financial institution.

23 (6) SECURITY IN THE FORM OF COLLATERAL, SURETY BOND, OR
24 ANOTHER FORM MAY BE TAKEN FOR THE DEPOSITS OR INVESTMENTS OF AN
25 INTERMEDIATE SCHOOL DISTRICT IN A FINANCIAL INSTITUTION. HOWEVER,
26 AN INVESTMENT UNDER SUBSECTION (2) (E) OR IN AN INVESTMENT POOL THAT
27 INCLUDES INSTRUMENTS ELIGIBLE FOR INVESTMENTS UNDER SUBSECTION

1 (2) (E) SHALL BE SECURED BY THE TRANSFER OF TITLE AND CUSTODY OF THE
2 OBLIGATIONS TO WHICH THE REPURCHASE AGREEMENTS RELATE AND AN
3 UNDIVIDED INTEREST IN THOSE OBLIGATIONS MUST BE PLEDGED TO THE
4 INTERMEDIATE SCHOOL DISTRICT FOR THESE AGREEMENTS.

5 (7) ~~(6)~~—As used in this section, "deposit" includes purchases
6 of or investment in shares of a credit union.

7 (8) ~~(7)~~—As used in this section, "financial institution" means
8 a state or nationally chartered bank or a state or federally
9 chartered savings and loan association, savings bank, or credit
10 union whose deposits are insured by an agency of the United States
11 government and that maintains a principal office or branch office
12 located in this state under the laws of this state or the United
13 States.

14 Sec. 1211. (1) Except as otherwise provided in this section
15 and section 1211c, the board of a school district shall levy not
16 more than 18 mills for school operating purposes or the number of
17 mills levied in 1993 for school operating purposes, whichever is
18 less. A principal residence, qualified agricultural property,
19 qualified forest property, supportive housing property, **PROPERTY**
20 **OCCUPIED BY A PUBLIC SCHOOL ACADEMY**, and industrial personal
21 property are exempt from the mills levied under this subsection
22 except for the number of mills by which that exemption is reduced
23 under this subsection. Except as otherwise provided in subsection
24 (9), the board of a school district that had a foundation allowance
25 for the 1994-95 state fiscal year greater than \$6,500.00 may reduce
26 the number of mills from which a principal residence, qualified
27 agricultural property, qualified forest property, supportive

1 housing property, **PROPERTY OCCUPIED BY A PUBLIC SCHOOL ACADEMY**, and
2 industrial personal property are exempted under this subsection by
3 up to the number of mills, as certified under section 1211a,
4 required to be levied on a principal residence, qualified
5 agricultural property, qualified forest property, supportive
6 housing property, **PROPERTY OCCUPIED BY A PUBLIC SCHOOL ACADEMY**, and
7 industrial personal property for the school district's combined
8 state and local revenue per membership pupil for the school fiscal
9 year ending in 1995 to be equal to the school district's foundation
10 allowance for the state fiscal year ending in 1995, and the board
11 also may levy in 1994 or a succeeding year that number of mills for
12 school operating purposes on a principal residence, qualified
13 agricultural property, qualified forest property, supportive
14 housing property, **PROPERTY OCCUPIED BY A PUBLIC SCHOOL ACADEMY**, and
15 industrial personal property.

16 (2) Subject to subsection (3), if the department of treasury
17 determines that the maximum number of mills allowed to be levied
18 under subsection (1) on all classes of property was not sufficient
19 for a school district's combined state and local revenue per
20 membership pupil for the school fiscal year ending in 1995 to be
21 equal to the school district's foundation allowance for that school
22 fiscal year, the board of the school district may levy in 1994 or a
23 succeeding year additional mills uniformly on all property up to
24 the number of mills required for the school district's combined
25 state and local revenue per membership pupil for the school fiscal
26 year ending in 1995 to be equal to the school district's foundation
27 allowance for the state fiscal year ending in 1995. However, the

1 board of a school district described in this subsection, by board
2 resolution, may elect to exempt each principal residence and all
3 qualified agricultural property, qualified forest property,
4 supportive housing property, **PROPERTY OCCUPIED BY A PUBLIC SCHOOL**
5 **ACADEMY**, and industrial personal property located in the school
6 district from some or all of the mills that the board is authorized
7 to levy under this subsection.

8 (3) After 1994, the number of mills a school district may levy
9 under this section on any class of property shall not exceed the
10 lesser of the number of mills the school district was certified by
11 the department of treasury under section 1211a to levy on that
12 class of property under this section in 1994 or the number of mills
13 required to be levied on that class of property under this section
14 to ensure that the increase from the immediately preceding state
15 fiscal year in the school district's combined state and local
16 revenue per membership pupil, calculated as if the school district
17 had levied the maximum number of mills the school district was
18 allowed to levy under this section regardless of the number of
19 mills the school district actually levied, does not exceed the
20 lesser of the dollar amount of the increase in the basic foundation
21 allowance under section 20 of the state school aid act of 1979, MCL
22 388.1620, from the immediately preceding state fiscal year or the
23 percentage increase in the general price level in the immediately
24 preceding calendar year. If the number of mills a school district
25 is allowed to levy under this section in a year after 1994 is less
26 than the number of mills the school district was allowed to levy
27 under this section in the immediately preceding year, any reduction

1 required by this subsection in the school district's millage rate
2 shall be calculated by first reducing the number of mills the
3 school district is allowed to levy under subsection (2) and then
4 increasing the number of mills from which a principal residence,
5 qualified agricultural property, qualified forest property,
6 supportive housing property, **PROPERTY OCCUPIED BY A PUBLIC SCHOOL**
7 **ACADEMY**, and industrial personal property are exempted under
8 subsection (1).

9 (4) Commercial personal property is exempt from 12 of the
10 mills levied under this section. However, if the number of mills
11 from which industrial personal property is exempted for a specific
12 school district is reduced under this section, then the number of
13 mills from which commercial personal property is exempted for that
14 school district shall be reduced by that same number of mills.

15 (5) Millage levied under this section must be approved by the
16 school electors. For the purposes of this section, millage approved
17 by the school electors before January 1, 1994 for which the
18 authorization has not expired is considered to be approved by the
19 school electors.

20 (6) If a school district levies millage for school operating
21 purposes that is in excess of the limits of this section, the
22 amount of the resulting excess tax revenue shall be deducted from
23 the school district's next regular tax levy.

24 (7) If a school district levies millage for school operating
25 purposes that is less than the limits of this section, the board of
26 the school district may levy at the school district's next regular
27 tax levy an additional number of mills not to exceed the additional

1 millage needed to make up the shortfall.

2 (8) A school district shall not levy mills allocated under the
3 property tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a,
4 other than mills allocated to a school district of the first class
5 for payment to a public library commission under section 11(4) of
6 the property tax limitation act, 1933 PA 62, MCL 211.211, after
7 1993.

8 (9) Beginning with taxes levied for 2011, if a school district
9 had a foundation allowance for the 1994-95 state fiscal year
10 greater than \$6,500.00 and if the school district's foundation
11 allowance for the 2009-2010 state fiscal year was less than the
12 basic foundation allowance prescribed for the 2009-2010 state
13 fiscal year under section 20 of the state school aid act of 1979,
14 MCL 388.1620, the school district may not reduce the number of
15 mills from which certain classes of property are exempted from the
16 levy of millage under subsection (1) and may not levy that number
17 of mills on those classes of property as would otherwise be allowed
18 under subsection (1).

19 (10) As used in this section:

20 (a) "Combined state and local revenue per membership pupil"
21 means that term as defined in section 20 of the state school aid
22 act of 1979, MCL 388.1620.

23 (b) "Commercial personal property" means property classified
24 as commercial personal property under section 34c of the general
25 property tax act, 1893 PA 206, MCL 211.34c.

26 (c) "Foundation allowance" means a school district's
27 foundation allowance as calculated under section 20 of the state

1 school aid act of 1979, MCL 388.1620.

2 (d) "General price level" means that term as defined in
3 section 33 of article IX of the state constitution of 1963.

4 (e) "Industrial personal property" means the following:

5 (i) Except as otherwise provided in subparagraph (ii), property
6 classified as industrial personal property under section 34c of the
7 general property tax act, 1893 PA 206, MCL 211.34c.

8 (ii) Beginning December 31, 2011, industrial personal property
9 does not include a turbine powered by gas, steam, nuclear energy,
10 coal, or oil the primary purpose of which is the generation of
11 electricity for sale.

12 (f) "Membership" means that term as defined in section 6 of
13 the state school aid act of 1979, MCL 388.1606.

14 (g) "Owner", "person", "principal residence", and "qualified
15 agricultural property" mean those terms as defined in section 7dd
16 of the general property tax act, 1893 PA 206, MCL 211.7dd.

17 **(H) "PROPERTY OCCUPIED BY A PUBLIC SCHOOL ACADEMY" MEANS**
18 **PROPERTY OCCUPIED BY A PUBLIC SCHOOL ACADEMY, URBAN HIGH SCHOOL**
19 **ACADEMY, OR SCHOOL OF EXCELLENCE THAT IS USED EXCLUSIVELY FOR**
20 **EDUCATIONAL PURPOSES.**

21 **(I) ~~(h)~~**—"Qualified forest property" means that term as defined
22 in section 7jj of the general property tax act, 1893 PA 206, MCL
23 211.7jj[1].

24 **(J) ~~(i)~~**—"School operating purposes" includes expenditures for
25 furniture and equipment, for alterations necessary to maintain
26 school facilities in a safe and sanitary condition, for funding the
27 cost of energy conservation improvements in school facilities, for

1 deficiencies in operating expenses for the preceding year, and for
2 paying the operating allowance due from the school district to a
3 joint high school district in which the school district is a
4 participating school district under former part 3a. Taxes levied
5 for school operating purposes do not include any of the following:

6 (i) Taxes levied by a school district for operating a community
7 college under part 25.

8 (ii) Taxes levied under section 1212.

9 (iii) Taxes levied under section 1356 for eliminating an
10 operating deficit.

11 (iv) Taxes levied for operation of a library under section 1451
12 or for operation of a library established pursuant to 1913 PA 261,
13 MCL 397.261 to 397.262, that were not included in the operating
14 millage reported by the district to the department as of April 1,
15 1993. However, a district may report to the department not later
16 than April 1, 1994 the number of mills it levied in 1993 for a
17 purpose described in this subparagraph that the school district
18 does not want considered as operating millage and then that number
19 of mills is excluded under this section from taxes levied for
20 school operating purposes.

21 (v) Taxes paid by a school district of the first class to a
22 public library commission pursuant to section 11(4) of the property
23 tax limitation act, 1933 PA 62, MCL 211.211.

24 (vi) Taxes levied under former section 1512 for operation of a
25 community swimming pool. In addition, if a school district included
26 the millage it levied in 1993 for operation of a community swimming
27 pool as part of its operating millage reported to the department

1 for 1993, the school district may report to the department not
 2 later than June 17, 1994 the number of mills it levied in 1993 for
 3 operation of a community swimming pool that the school district
 4 does not want considered as operating millage and then that number
 5 of mills is excluded under this section from taxes levied for
 6 school operating purposes.

7 (K) ~~(j)~~—"Supportive housing property" means real property
 8 certified as supportive housing property under chapter 3B of the
 9 state housing development authority act of 1966, 1966 PA 346, MCL
 10 125.1459 to ~~125.1459b~~.125.1459A.

11 Sec. 1223. (1) If authorized by resolution of the board of a
 12 school district, the treasurer may invest debt retirement funds,
 13 building and site funds, building and site sinking funds, or
 14 general funds of the district. The investment shall be made ~~under~~
 15 **SUBJECT TO** subsection (7) and shall be restricted to the following:

16 (a) Bonds, bills, or notes of the United States; obligations,
 17 the principal and interest of which are fully guaranteed by the
 18 United States; or obligations of the state. In a primary or fourth
 19 class school district, the bonds, bills, or notes shall be payable,
 20 at the option of the holder, upon not more than 90 days' notice, or
 21 if not so payable, shall have maturity dates not more than 5 years
 22 after the purchase dates.

23 (b) Certificates of deposit issued by a financial institution
 24 or share certificates of a state or federal credit union that is a
 25 financial institution.

26 (c) Commercial paper rated prime at the time of purchase and
 27 maturing not more than 270 days after the date of purchase.

1 (d) Securities issued or guaranteed by agencies or
2 instrumentalities of the United States government.

3 (e) United States government or federal agency obligation
4 repurchase agreements.

5 (f) Bankers' acceptances issued by a bank that is a member of
6 the federal deposit insurance corporation.

7 (g) Mutual funds composed entirely of investment vehicles that
8 are legal for direct investment by a school district.

9 (h) Investment pools, as authorized by the surplus funds
10 investment pool act, 1982 PA 367, MCL 129.111 to 129.118, composed
11 entirely of instruments that are legal for direct investment by a
12 school district.

13 (i) Certificates of deposit issued in accordance with the
14 following conditions:

15 (i) The funds are initially invested through a financial
16 institution that is not ineligible to be a depository of surplus
17 funds belonging to this state under section 6 of 1855 PA 105, MCL
18 21.146.

19 (ii) The financial institution arranges for the investment of
20 the funds in certificates of deposit in 1 or more insured
21 depository institutions, as defined in 12 USC 1813, or 1 or more
22 insured credit unions, as defined in 12 USC 1752, for the account
23 of the school district.

24 (iii) The full amount of the principal and any accrued interest
25 of each certificate of deposit is insured by an agency of the
26 United States.

27 (iv) The financial institution acts as custodian for the school

1 district with respect to each certificate of deposit.

2 (v) At the same time that the funds of the school district are
3 deposited and the certificate or certificates of deposit are
4 issued, the financial institution receives an amount of deposits
5 from customers of other insured depository institutions or insured
6 credit unions equal to or greater than the amount of the funds
7 initially invested by the school district through the financial
8 institution.

9 (J) DEPOSIT ACCOUNTS THAT MEET ALL OF THE FOLLOWING
10 CONDITIONS:

11 (i) THE FUNDS ARE INITIALLY DEPOSITED IN A FINANCIAL
12 INSTITUTION THAT IS NOT INELIGIBLE TO BE A DEPOSITORY OF SURPLUS
13 FUNDS BELONGING TO THIS STATE UNDER SECTION 6 OF 1855 PA 105, MCL
14 21.146.

15 (ii) THE FINANCIAL INSTITUTION ARRANGES FOR THE DEPOSIT OF THE
16 FUNDS IN DEPOSIT ACCOUNTS IN 1 OR MORE INSURED DEPOSITORY
17 INSTITUTIONS, AS DEFINED IN 12 USC 1813, OR 1 OR MORE INSURED
18 CREDIT UNIONS, AS DEFINED IN 12 USC 1752, FOR THE ACCOUNT OF THE
19 SCHOOL DISTRICT.

20 (iii) THE FULL AMOUNT OF THE PRINCIPAL AND ANY ACCRUED INTEREST
21 OF EACH DEPOSIT ACCOUNT IS INSURED BY AN AGENCY OF THE UNITED
22 STATES.

23 (iv) THE FINANCIAL INSTITUTION ACTS AS CUSTODIAN FOR THE SCHOOL
24 DISTRICT WITH RESPECT TO EACH DEPOSIT ACCOUNT.

25 (v) ON THE SAME DATE THAT THE FUNDS OF THE SCHOOL DISTRICT ARE
26 DEPOSITED UNDER SUBPARAGRAPH (ii), THE FINANCIAL INSTITUTION
27 RECEIVES AN AMOUNT OF DEPOSITS FROM CUSTOMERS OF OTHER INSURED

1 DEPOSITORY INSTITUTIONS OR INSURED CREDIT UNIONS EQUAL TO OR
2 GREATER THAN THE AMOUNT OF THE FUNDS INITIALLY DEPOSITED BY THE
3 SCHOOL DISTRICT IN THE FINANCIAL INSTITUTION.

4 (2) An obligation purchased under this section, when received
5 by the treasurer, shall be deposited with the financial institution
6 having the deposit of the money of the particular fund from which
7 the obligation was purchased.

8 (3) Money in the several funds of a school district shall not
9 be commingled for the purpose of making an investment authorized by
10 this section except ~~that~~ **AS FOLLOWS:**

11 (a) The board of a school district may establish and maintain
12 1 common debt retirement fund for issues of bonds of similar
13 character.

14 (b) The board of a school district, by resolution, may
15 authorize the treasurer to combine money from more than 1 fund for
16 the purpose of making an investment authorized by subsection
17 (1)(h).

18 (4) Earnings of an investment shall become a part of the fund
19 for which the investment was made. When money of more than 1 fund
20 of a single district or money of more than 1 district are combined
21 for an investment pool authorized by subsection (1)(h), the money
22 shall be accounted for separately, and the earnings from the
23 investment shall be separately and individually computed, recorded,
24 and credited to the fund or district, as the case may be, for which
25 the investment was acquired.

26 (5) The treasurer of a school district, if authorized by
27 resolution of the board, may deposit upon approval of the employee,

1 funds accumulated under a deferred compensation program in a
2 federally insured financial institution authorized by law to do
3 business in this state. If authorized by a resolution of the board,
4 the treasurer of a school district, with the prior consent of the
5 employee, may use funds accumulated under a deferred compensation
6 plan to purchase from a life insurance company authorized to do
7 business in this state an annuity contract or life insurance policy
8 in the manner and for the purposes described in section 457 of the
9 internal revenue code.

10 (6) Security in the form of collateral, surety bond, or
11 another form may be taken for the deposits or investments of a
12 school district in a financial institution. However, an investment
13 under ~~section 622(2)(e) or~~ subsection (1)(e) or in an investment
14 pool that includes instruments eligible for investments under
15 ~~section 622(2)(e) or~~ subsection (1)(e) shall be secured by the
16 transfer of title and custody of the obligations to which the
17 repurchase agreements relate and an undivided interest in those
18 obligations must be pledged to the school district for these
19 agreements.

20 (7) Notwithstanding subsection (1), additional funds of a
21 school district shall not be deposited or invested in a financial
22 institution that is not eligible to be a depository of surplus
23 funds belonging to this state under section 6 of 1855 PA 105, MCL
24 21.146.

25 (8) As used in this section, "deposit" includes purchase of or
26 investment in shares of a credit union.

27 (9) As used in this section, "financial institution" means a

1 state or nationally chartered bank or a state or federally
2 chartered savings and loan association, savings bank, or credit
3 union whose deposits are insured by an agency of the United States
4 government and which maintains a principal office or branch office
5 located in this state under the laws of this state or the United
6 States.