

MINUTES OF THE HOUSE FINANCIAL INSTITUTIONS COMMITTEE

The meeting was called to order by Chairperson Pete DeGraaf at 3:30 pm on Thursday, February 19, 2015, 152-S of the Capitol.

All members were present except:

Representative Mario Goico – Excused

Committee staff present:

Gary Deeter, Kansas Legislative Committee Assistant

Melissa Calderwood-Renick, Legislative Research Department

Whitney Howard, Legislative Research Department

Matt Sterling, Office of Revisor of Statutes

Conferees appearing before the Committee:

Doug Wareham, Executive Vice President for Government Relations, Kansas Bankers Association

Michael Murray, Capitol Advantage LLC

Others in attendance:

[See Attached List](#)

Hearing on: HB2352 — Financial institutions and remote service units.

The Chair opened the hearing on **HB2352**.

Staff Matt Sterling briefed the Committee on the bill, saying that the bill would amend the definition of a "remote service unit" to include an interactive telephone or televideo device, allowing a person to interact with bank personnel ([Attachment 1](#)).

Doug Wareham testified in support of the bill ([Attachment 2](#)). He said that the bill would modernize the state banking code by recognizing the advent of interactive teller machines (ITMs). In noting that federally-chartered banks in Kansas are already authorized to use these devices, he referenced a regulation from the Office of the Comptroller of the Currency. He also noted that state-chartered Kansas banks have expressed interest in installing ITMs.

The Chair closed the hearing on **HB2352**.

Possible action on: HB2216 — Kansas money transmitter act.

The Chair invited consideration of **HB2216**.

*A motion was made by Representative Kelly, seconded by Representative Bradford, to consider **HB2216** to be favorable for passage.*

A motion to amend was made by Representative Dick Jones and seconded by Representative Esau.

CONTINUATION SHEET

MINUTES of the Committee on Financial Institutions at 3:30 pm on Thursday, February 19, 2015, 152-S of the Capitol.

Representative Kelly stated that he considered it to be a friendly amendment ([Attachment 3](#)).

Michael Murray, representing the Retail Grocers Association of Kansas City, commented that the balloon amendment simply clarifies the intent of the bill to deal with internet-only agents. A member questioned whether deleting lines 15-17 might create a loophole for a licensee to increase volume without oversight. Judi Stork, Deputy Commissioner, Office of the State Bank Commissioner (OSBC) and Jeff Spahr, staff attorney, OSBC, explained that no instances of abuse have surfaced in relation to the member's question.

The motion to amend passed unanimously.

*The motion to recommend **HB 2216** as amended to be favorable for passage was adopted unanimously.*

The meeting was adjourned at 3:59 p.m. The next meeting is scheduled for Tuesday, February 24, 2015, at 3:30 p.m. in Room 152-S.