

MINUTES OF THE HOUSE FINANCIAL INSTITUTIONS COMMITTEE

The meeting was called to order by Chairperson Pete DeGraaf at 3:30 pm on Tuesday, March 17, 2015, 152-S of the Capitol.

All members were present except:

Representative Larry Campbell – Excused

Committee staff present:

Melissa Calderwood-Renick, Legislative Research Department

Whitney Howard, Legislative Research Department

Matt Sterling, Office of Revisor of Statutes

Gary Deeter, Kansas Legislative Committee Assistant

Eileen Ma, Office of Revisor of Statutes

Conferees appearing before the Committee:

Dustin Kirk, Staff Attorney, Office of the State Bank Commissioner

Others in attendance:

[See Attached List](#)

Consideration of and possible action on: SB55 — Increasing the cap on consulting fees for financial examinations and the high risk pool financial examination period.

The Chair announced that **SB55** will not be considered today.

Consideration of and possible action on: SB240 — State banking code and the state banking commissioner.

The Chair welcomed Dustin Kirk who, after noting that agency fees are established in **K.A.R. 17-22-1**, listed the exceptions proposed by the bill:

- The application fee for an office relocation was changed from a multi-fractional fee structure to a flat fee of \$750.
- The application fee for conversion to a state-chartered bank is changed from no fee to \$500.
- The application fee for trust authority at a state-chartered bank is changed from no fee to \$500.
- The application fee for an out-of-state trust facility will be referenced in statute rather than in a regulation [\(Attachment 1\)](#).

Members' questions were answered by Mr. Kirk or by Judi Stork, Deputy Commissioner, Office of the State Bank Commissioner:

- The new fees are revenue-neutral.
- The first 10% (up to \$100,000) is allocated for the State General Fund (SGF).
- The agency has authorized two out-of-state trust facilities in the past five years. Conversion applications have averaged about four applications per year for the past five years.
- The agency fee funds have not been swept into the SGF during the last three years.

CONTINUATION SHEET

MINUTES of the Committee on Financial Institutions at 3:30 pm on Tuesday, March 17, 2015, 152-S of the Capitol.

- Primary funding for the agency is provided from bank assessments; fees generate minimal resources.

The Chair recommended that the agency budgeting process include a report to the appropriate legislative budget entities.

Approval of Committee Minutes

A motion was made by Representative Kelly and seconded by Representative Bradford to approve the Committee minutes for March 12, 2015. The motion passed unanimously.