

## MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

The meeting was called to order by Chairperson Jeff Longbine at 9:30 am on Monday, February 23, 2015, 546-S of the Capitol.

All members were present except:

Senator Robert Olson – Excused

Committee staff present:

Ellen Martinez, Kansas Legislative Committee Assistant

Melissa Calderwood-Renick, Legislative Research Department

Whitney Howard, Legislative Research Department

Eileen Ma, Office of Revisor of Statutes

Conferees appearing before the Committee:

Dustin Kirk, staff attorney, Office of Kansas Bank Commissioner

Doug Wareham, Kansas Bankers Association

Others in attendance:

[See Attached List](#)

### **Hearing continuation on: SB240 — State banking code and the state banking commissioner.**

Senator Longbine reopened the hearing on **SB 240**. Dustin Kirk, staff attorney stood for questions regarding fee schedules, bankers banks, and section 47 of **SB 240**.

Doug Wareham, Kansas Bankers Association, testified in support of **SB 240**. This bill was the result of a multi-year effort to modernize and bring clarity to the state's banking code found in Chapter 9 of the Kansas Statutes Annotated.

Efforts to review the banking coded section-by-section began almost ten year ago. The Office of the State Bank Commissioner jointly met with representatives of the KDB and the Community Bankers Association of Kansas to pour over each section of the code. The KBA not only had two attorneys in their office review the provisions of the draft, but also involved a subcommittee of bankers who currently sit on the KBA Board of Directors.

In reviewing the recodification draft, the KBA subcommittee did ask the OSBC to address a few items with which they came to an agreement.

1. There was some question as to why new language proposed was needed in order to allow the commission to review the activities of any bank holding company with a subsidiary bank in Kansas. The new language was withdrawn.
2. There were questions whether the state needed to put minimum capital levels in statute since Federal law also provides for such minimums. There was recognition of the need for our state regulator to the minimums that are consistent with Federal law.
3. The definition of "remote service unit" did not encompass new technology called "interactive teller machines". The draft now mirrors Federal law in recognizing this technology.
4. There was some question as to whether the definition of insolvency should be modified in light of

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ongoing litigation regarding the same. There were no modifications to the definition in the draft.  
[\(Attachment 1\)](#)

Neutral:

Shawn Mitchell, President and CEO, Community Bankers Association (Written only) [\(Attachment 2\)](#)

Senator Longbine informed the Committee his intentions to work **SB 240** tomorrow. There being no further business, he closed the hearing.

Senator Longbine reminded the Committee that they might be working bills previously heard tomorrow.

There being no further business, Senator Longbine adjourned the Committee at 10:05 A.M.