

COMMERCIAL AND FINANCIAL INSTITUTIONS
MINUTES

Except as otherwise noted, the individual remarks recorded herein have not been transcribed verbatim and this record has not been approved by the committee or by the individuals making such remarks

March 1, 1972
3:15 P.M.

The meeting was called to order by Chairman Gabriel. All members were present except Representatives Allison, Grant, Hayes, and Hougland.

Mr. Carroll Beach representing the Credit Union League for Kansas presented testimony and explanation on Senate Bill 688. He was then open for questions and answers from the Committee.

Representative Brokaw moved that Senate Bill 466 be amended as follows: On page 2, in line 4, by inserting before the word "five" the following: "by"; in line 7, by inserting before the semicolon the following: "the total amount of shareholdings in any credit union, not otherwise encumbered or pledged, which are pledged as security for loans to the borrower". Representative Oakes seconded the motion - motion carried.

Representative Wilson moved that Senate Bills 466, as amended; 467, 477 as amended, 478, and 688 be passed - motion seconded by Representative Brokaw - motion carried.

Chairman Gabriel presented and explained Senate Bill 569 for Senator Hodge. He was then open for questions and answers from the Committee.

Representative Jelinek moved that Senate Bill 569 be passed. Motion seconded by Representative Brooks - motion carried.


There was considerable discussion on House Concurrent Resolution No. 1123.

Representative Wilson moved that House Concurrent Resolution No. 1123 be adversely reported. Motion seconded by Representative Brokaw - motion carried.

Representative Holderman presented a House Concurrent Resolution (Chief Clerk assigned number 1141 to it) to the Committee and was unanimously accepted. Said Resolution states as follows:

"Requiring the state board of education to encourage and promote the establishment of courses of instruction relating to consumer credit by each Kansas school district."

Meeting adjourned at 4:15.



ARTHUR GABRIEL, Chairman

Gloria Corona, Secretary

Holdeman
Oaker

HOUSE CONCURRENT RESOLUTION NO. 1141

By Committee on Commercial and Financial Institutions

A CONCURRENT RESOLUTION requesting the state board of education to encourage and promote the establishment of courses of instruction relating to consumer credit by each Kansas school district.

WHEREAS, The legislature of the state of Kansas believes that the present public school education of children does not sufficiently give our young citizens the background to intelligently deal with consumer credit; and

WHEREAS, The trend to granting greater responsibilities to younger persons, beginning with the lowering of the age limit for voting, will undoubtedly soon result in the granting of the full rights of majority to persons over 18 years of age, including the use of credit; and

WHEREAS, The legislature of the state of Kansas believes that intelligent use of consumer credit will reduce unnecessary economic hardship, and that education to this end must be afforded to reduce many of the citizens' economic and social problems; and

WHEREAS, The legislature of the state of Kansas believes that the determination of specific curricula covering utilization of consumer credit should not be prescribed by the legislature as long as the local school boards provide necessary curricula and appropriate instructional aids in this area: Now, therefore,

Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein: That the state board of education be requested to determine forthwith the effectiveness of existing curricula and instructional aids of each Kansas school district concerning understanding of consumer credit by the children of the public school system of the state of Kansas; and

That the state board of education suggest to and work with each Kansas school district to the end that, beginning as quickly as may

be reasonably possible, knowledge of consumer credit will be applicable by the children of the public school system of the state of Kansas; and

That the state board of education determine the most effective way to implement intelligent use of consumer credit within the curricula of the public schools; and

That the state board of education report on the progress of said implementation to the legislature on or before the convening of the regular session of the legislature in January, 1973.

Be it further resolved: That the secretary of state be directed to transmit a copy of this resolution to the Commissioner of Education, for duplication and transmittal to each member of every school board within the state of Kansas.

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your committee on Commercial and Financial Institutions

Recommends that Senate Bill No. 466 (As Amended by Senate Committee)

"AN ACT relating to credit unions; concerning loans to members, directors and supervisory or credit committee members; amending K. S. A. 1971 Supp. 17-2216 and repealing the existing section."

Be amended:

On page 2, in line 4, by inserting before the word "five" the following: "by"; in line 7, by inserting before the semicolon the following: "the total amount of shareholdings in any credit union, not otherwise encumbered or pledged, which are pledged as security for loans to the borrower";

And the bill be passed as amended.

Chairman

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your committee on **COMMERCIAL AND FINANCIAL INSTITUTIONS**

Recommends that **Senate Bill No. 467**

"AN ACT relating to credit unions; concerning the declaration and payment of dividends; amending K.S.A. 1971 Supp. 17-2218 and repealing the existing section.

BE PASSED.

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your committee on Commercial and Financial Institutions

Recommends that Senate Bill No. 477 (As Amended by Senate Committee)

"An Act relating to credit unions; declaring credit unions to be subject to the supervision of the administrator; concerning the examination of credit unions; prescribing fees; amending K. S. A. 1971 Supp. 17-2206 and repealing the existing section."

Be amended:

On page 1, lines 5 and 6, by striking "January and July" and inserting in lieu thereof: "October and April";

And the bill be passed as amended.

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your committee on **COMMERCIAL AND FINANCIAL INSTITUTIONS**

Recommends that **Senate Bill No. 478**

"AN ACT relating to credit unions; concerning the general powers of credit unions; prescribing powers of a central credit union in which all credit unions in the state are eligible for membership; amending K.S.A. 1971 Supp. 17-2204 and repealing the existing section.

BE PASSED.

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your committee on **COMMERCIAL AND FINANCIAL INSTITUTIONS**

Recommends that **Senate Bill No. 688**

"AN ACT relating to credit unions; concerning the organization and dissolution of credit unions; providing for articles of incorporation; concerning certain exempt securities; excluding credit unions from the definition of banking; amending K.S.A. 9-702 and 17-2205 and K.S.A. 1971 Supp. 17-1261, 17-2201 and 17-2230 and repealing the existing sections.

BE PASSED.

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your committee on **COMMERCIAL AND FINANCIAL INSTITUTIONS**

Recommends that **Senate Bill No. 569**

"AN ACT relating to banks and banking; concerning the qualifications of directors and certain officers; amending K.S.A. 9-1117 and repealing the existing section.

BE PASSED.

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your committee on **COMMERCIAL AND FINANCIAL INSTITUTIONS**

Recommends that **House Concurrent Resolution No. 1123**

"AN ACT

A CONCURRENT RESOLUTION providing for a special committee to make a legislative study concerning the laws relating to branch banking and multi-bank holding companies.

BE NOT PASSED.