

MINUTES OF THE SENATE COMMITTEE ON COMMERCIAL AND FINANCIAL INSTITUTIONS

The meeting was called to order by Sen. Neil H. Arasmith at
Chairperson

9:00 a.m. ~~pm~~ on February 21, 1983 in room 529-S of the Capitol.

All members were present except:

Senators Hess and Reilly - Excused

Committee staff present:

Bill Wolff, Legislative Research
Bruce Kinzie, Revisor's Office

Conferees appearing before the committee:

Don Phelps, Consumer Credit Commissioner
Carl Sandstrom, Kansas Banking Department

The minutes of February 18 were approved.

The hearing began on SB 226 with Don Phelps, Consumer Credit Commissioner, giving testimony in support of the bill. He gave reasons for asking for the two amendments in the bill which deal with the Investment Certificate Act. The first amendment would liberalize how investment companies can invest their money by allowing them to use 10% in securities that are insured by the federal government or guaranteed by the State of Kansas or subdivisions thereof. The second amendment deals with fees assessed by the commissioner and would change the fee from 30¢ to 50¢ per \$1,000 on outstanding investment certificates.

Sen. Pomeroy asked Mr. Phelps to give an example of a subdivision of the federal government which is mentioned on line 62 of the bill. Staff answered that this language could be changed since there are no subdivisions of the federal government. Sen. Werts asked what would be the source of information as to the list of what securities are insured by federal agencies. Mr. Phelps answered that the examiners would know but that he doesn't know where they get their information. It was added that it generally says on the security itself if it is insured. Mr. Phelps agreed with the chairman that if the company could not verify the safety of a security, the commissioner would insist that it be redeemed. Sen. Feleciano asked who would use SB 226. Mr. Phelps said that Morris Plan and Prudential of Hays have government insured securities that they are wanting to use as securities but that this bill would be an advantage to all companies, not just to these two companies. Sen. Werts asked if the amendments on pages 2 and 4 would include industrial revenue bonds. Mr. Phelps said that he believes that they would be an acceptable security. Committee discussion followed relating to this, and it was decided that revenue bonds were not intended to be included in the bill. Sen. Karr had a question regarding the fee increase on page 4 of the bill. Mr. Phelps said that this brings fees up to where they were before the Investment Certificate Act was rewritten and would generate enough income. The bill was taken under advisement.

The hearing on SB 227 which deals with trust companies moving their home offices began. Carl Sandstrom, Kansas Banking Department, gave his testimony in support of the bill. (See Attachment I).

The chairman stated that he was not aware that banking boards got paid for making examinations as is stated on line 86 of the bill. Mr. Sandstrom said that examination and application are synonymous in this case. The board members go to the location of a proposed license rather than to an established one. Committee discussion followed regarding lines 73 and 74, and it was concluded that they were properly included in the bill. Sen. Werts asked if the \$35 per diem mentioned on line 88 should not be \$45. Mr. Sandstrom and Sen. Pomeroy explained that this was the proper amount according to the statute. Sen. Feleciano suggested that perhaps it would be better to put in the statute number rather than an amount. The committee agreed that it would be easier to specify the amount than to have to refer to another statute. The hearing on SB 227 was concluded.

Sen. Werts made a motion to report SB 227 favorably. Sen. Pomeroy seconded the motion. The motion carried.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON COMMERCIAL AND FINANCIAL INSTITUTIONS,
room 529-S, Statehouse, at 9:00 a.m./~~p.m.~~ on February 21, 1983

The committee's attention was turned back to SB 226.

Sen. Pomeroy made a motion to amend lines 62, 64, 146, 147, and 148 by striking "or subdivision". Sen. Feleciano seconded the motion. The motion carried.

Sen. Pomeroy made a motion to amend phrase (c) in line 64 and to make a similar change in lines 149 and 150 so that reference to state government or subdivision of state government be limited to general obligation bonds and also to amend these lines to read "State of Kansas" rather than "state". Sen. Feleciano seconded the motion. The motion carried.

Sen. Pomeroy made a motion to report SB 226 favorably as amended. Sen. Werts seconded the motion. The motion carried.

The next meeting will be held on February 22.

The meeting was adjourned.

SENATE COMMITTEE

ON

COMMERCIAL AND FINANCIAL INSTITUTIONS

OBSERVERS
(Please print)

DATE	NAME	ADDRESS	REPRESENTING
2/21	M. Gallygan	KLRD	
2/21	E. Barrett	Randall	
2-21	J. Spiegel	Jermess	
	Mervin Chubetz	Topeka	KCLL
	Don Phelps	"	Cons. Civ. Comm
	Wm. Patten	Topeka	" " "
	Carl R. Fawcett	"	Banking Dept
	Jim Turner	Topeka	KSLC

TESTIMONY OF:

KANSAS BANKING DEPARTMENT on SB 227 relating to
trust companies

PRESENTED TO:

the Senate Commercial and Financial Institutions
Committee

February 21, 1983

Mr. Chairman, Member of the Committee:

Thank you for the opportunity to appear before this Committee
to provide necessary comments on SB 227.

The amendment to K.S.A. 17-2015 is to delete some question-
able language of this statute and, thus make it clear that
should a trust company desire to change location they need
the approval of the State Banking Board. (See AG Opinion
81-189 on this subject.) Also, the fee has been up-dated
from the nominal fee of \$200 to \$500, same as now required
for any bank desiring to change location; see K.S.A. 9-1804
attached.

The amendment to K.S.A. 17-2023 is to clarify the require-
ment of a new charter application by stating the rules and
regulations applicable to bank applications are also applic-
able to trust company applications. See rules and regulation
17-16-1 and letter to Attorney General dated December 9,
1982, requesting guidance on this subject.

The amendment to K.S.A. 17-2024 is to up-date application
fee to be in line with bank charter applications, K.S.A.
9-1803.

CRSandstrom/jas

Attachment I



AUG

STATE OF KANSAS

OFFICE OF THE ATTORNEY GENERAL

2ND FLOOR, KANSAS JUDICIAL CENTER, TOPEKA 66612

ROBERT T. STEPHAN
ATTORNEY GENERAL

August 12, 1981

MAIN PHONE (913) 296-2215
CONSUMER PROTECTION 296-3751
ANTI-TRUST 296-5299

ATTORNEY GENERAL OPINION NO. 81-189

Roy P. Britton
State Bank Commissioner
818 Kansas Avenue, Suite 600
Topeka, Kansas 66612

Re: Trust Companies and Business Trusts -- Change of
Trust Company's Location -- Approval of Bank Board

Synopsis: Those provisions of K.S.A. 17-2015 which require the state banking board's approval of a trust company's change in location are applicable to a trust company wherein moneys are currently on deposit. Accordingly, since Colonial Trust Company in Abilene, Kansas has current savings and time deposits, that company's proposed move to Great Bend, Kansas is subject to approval by the state banking board. Cited herein: K.S.A. 1980 Supp. 9-701, K.S.A. 17-2001, 17-2001b, 17-2003, K.S.A. 1980 Supp. 17-2013, K.S.A. 17-2014, 17-2015.

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Dear Commissioner Britton:

You have advised of the possible change in ownership of Colonial Trust Company and, in connection therewith, a move of that company's location from Abilene to Great Bend, Kansas. Accordingly, you have requested our opinion as to whether such change in location is subject to the approval of the state banking board pursuant to K.S.A. 17-2015.

K.S.A. 17-2015 provides in relevant part as follows:

"No trust company which receives or is receiving deposits shall move or change its place of business from one city or township to another unless it first shall make and file with the state banking board an application so to do nor until such board shall give its written approval of such move or change." (Emphasis added.)

Roy P. Britton
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Accompanying your inquiry was a copy of a letter from counsel for Colonial Trust Company to the state banking board's general counsel, in which the trust company's attorney offers his opinion that the proposed change in location is not subject to the banking board's approval, because "Colonial Trust Company is not receiving deposits." You also have furnished us with a copy of the letter you received from the banking board's general counsel stating the opposite conclusion, but suggesting that an opinion of this office be obtained.

Initially, we observe that Colonial Trust Company's daily statement of June 2, 1981, which you provided us, reveals savings deposits in the amount of \$442,311, which includes \$104,174 in savings accounts and \$338,137 in certificates of deposit. Moreover, we do not hesitate to conclude that such moneys being held by Colonial Trust Company are deposits within the meaning of K.S.A. 17-2015.

It is clear from various other provisions of K.S.A. 17-2001 et seq., particularly K.S.A. 17-2002b, 17-2003 and 17-2014, that moneys deposited with trust companies are subject to constraints similar to those imposed on state banks. It is appropriate, therefore, to note from K.S.A. 1980 Supp. 9-701, which defines various terms for the purpose of the state banking code, that the various deposits which may be accepted by state banks include a savings deposit, time certificate of deposit and time deposit, open account. Without burdening this opinion by setting forth the definitions of these various terms, suffice it to state that the moneys listed under "savings deposits" and "certificates of deposit" on Colonial Trust Company's June 2, 1981, daily statement of condition are encompassed within this statute's definitional framework. Such fact reinforces our conclusion that these moneys are deposits within the meaning of K.S.A. 17-2015.

Because neither the letter from Colonial Trust Company's attorney submitted with your request, nor the other materials you have furnished us, provide any insight as to the company's contention that it is not receiving deposits, we solicited further explanation thereof from the trust company's counsel. His response indicates that, since on or about January 1, 1979, when ownership of the Trust Company changed, "the Trust Company ceased opening new passbook and certificate accounts," and he also notes the "steady decline in the total deposits held by the Trust Company," by citing the decline in the company's total deposits from \$589,000 on December 31, 1979, to \$479,000 on December 31, 1980.

It is apparent from this response that the trust company's contention that it is not receiving deposits is predicated, at least in part, on equating "deposits" with "accounts," and

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in our judgment, such premise is improper. The fact that the company has not opened any new accounts since the beginning of 1979 does not indicate that it has not received any deposits for that period of time. It merely reflects that the company has not accepted any new depositors. A deposit, on the other hand, is money placed with the trust company under one of the various types of contractual arrangements, and even though there has been a decline in the total amount of deposits, such fact does not necessarily indicate that the trust company is not currently receiving deposits.

In this regard, we have not been advised as to any legal impediment to a depositor adding moneys to an existing account. Thus, even though there has been a net decline in the moneys on deposit, such condition may well be the product of withdrawals in excess of deposits. It does not necessarily reflect the total absence of deposits.

Moreover, the trust company's attorney advises that the trust company has continued to renew governmental certificates of deposit and that there are currently \$232,000 of state and local funds on deposit. He suggests that the only reason for continuing to renew these deposits is "to avoid losses which would have been incurred in closing those accounts." This he explains, as follows: "The Trust Company owns U.S. Treasury securities which are pledged to secure governmental deposits. Due to market conditions, these securities would have been substantially discounted if sold, resulting in loss to the Trust Company." Notwithstanding this policy consideration, the fact remains that the trust company has a continuing practice of receiving public funds on deposit.

Conceding that the trust company has not added any new accounts since early in 1979, and even assuming arguendo that none of the non-governmental depositors has placed additional moneys in existing accounts since that time, we believe that Colonial Trust Company is a "trust company which receives or is receiving deposits" within the purview of K.S.A. 17-2015.

The trust company's counsel suggests that such conclusion requires an unwarranted construction of this statute, i.e., it requires construing the phrase "receives or is receiving" such that "receives" in effect means "received." This suggestion is supported by citation to various rules of statutory construction which are all contingent on the premise that the language of K.S.A. 17-2015 is plain and unambiguous. While we are well aware of the rules of statutory interpretation cited by the trust company's counsel, we cannot agree with his premise that the statutory language in question is plain and unambiguous. Here, it is interesting to note that counsel for the trust company has not offered any explanation of

what this "plain and unambiguous" language means, other than to suggest that "receives" does not mean "received" and that the statutory provisions in question do not apply to his client.

In our judgment, the phrase "receives or is receiving" in 17-2015 **is ambiguous** at best and susceptible of various interpretations. The obvious purpose of this statute is to define those trust companies which must seek approval of the state banking board before changing location. However, even if we interpret this statute as applying only to trust companies which presently receive moneys on deposit, as we assume the trust company's counsel is suggesting, the provision in question is still not free of ambiguity, since the statute provides no guidance as to the time frame by which this is to be measured.

In determining whether a trust company is one "which receives or is receiving deposits," does K.S.A. 17-2015 restrict us to a consideration of today's activities only, or may we look beyond today's activities into the past? If so, how far in the past may we look before we must determine that a trust company is not currently receiving moneys on deposit? Clearly, to answer these questions by strict reference to the vague time frame of "the present" subjects the statute to a multitude of interpretations. It requires arbitrary decisions from which absurd results may obtain.

Thus, because of this ambiguity, we must resort to well-established judicial guidelines for statutory interpretation. A comprehensive statement of the rules pertinent here is set forth in Brown v. Keill, 224 Kan. 195 (1978), as follows:

"The fundamental rule of statutory construction, to which all others are subordinate, is that the purpose and intent of the legislature governs when that intent can be ascertained from the statute, even though words, phrases or clauses at some place in the statute must be omitted or inserted. (Farm & City Ins. Co. v. American Standard Ins. Co., 220 Kan. 325, Syl. ¶3, 552 P.2d 1363 [1976].) In determining legislative intent, courts are not limited to a mere consideration of the language used, but look to the historical background of the enactment, the circumstances attending its passage, the purpose to be accomplished and the effect the statute may have under the various constructions suggested. (State, ex rel., v. City of Overland Park, 215 Kan. 700, Syl. ¶10, 527 P.2d 1340 [1974].) In order to ascertain the legislative intent, courts are

not permitted to consider only a certain isolated part or parts of an act but are required to consider and construe together all parts thereof in pari materia. When the interpretation of some one section of an act according to the exact and literal import of its words would contravene the manifest purpose of the legislature, the entire act should be construed according to its spirit and reason, disregarding so far as may be necessary the literal import of words or phrases which conflict with the manifest purpose of the legislature. (Kansas Commission on Civil Rights v. Howard, 218 Kan. 248, Syl. ¶2, 544 P.2d 791 [1975].)" Id. at 199, 200.

See, also, Whitehead v. State of Kansas Labor Department, 203 Kan. 159, 160, 161 (1979), and cases cited therein.

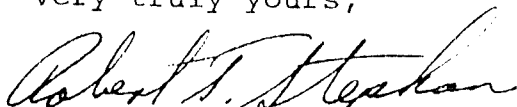
When the foregoing rules of construction are applied to the question presented here, we believe that the pertinent provisions of K.S.A. 17-2015 must be construed as requiring any trust company wherein moneys are currently on deposit to make application to and receive approval of the state banking board before changing its place of business from one city to another. Obviously, such construction provides a certainty of interpretation not afforded by construing the statute in the manner alluded to by Colonial Trust Company's counsel. Construing the statute in this fashion will avoid the ambiguity inherent in the alternative interpretation, which might bring into question the constitutionality of the statute. "[A] statute should never be given a construction that leads to uncertainty, injustice or confusion, if possible to construe it otherwise." Whitehead v. State of Kansas Labor Department, supra at 162. Thus, the conclusion we have reached will permit a harmonious application of the statute's requirements by both the state banking board and the trust company.

Moreover, it is apparent that our conclusion is consonant with the clear legislative intent manifested in K.S.A. 17-2001 et seq. to provide some measure of regulatory control over trust companies having moneys on deposit. As noted previously, there are several sections of this statutory sequence which impose greater regulatory constraints on such trust companies than on those which do not have moneys on deposit. An obvious purpose of these statutes is to afford protection to a trust company's depositors, and the interpretation we have placed on K.S.A. 17-2015 does nothing to jeopardize a harmonious construction of these statutes in pari materia.

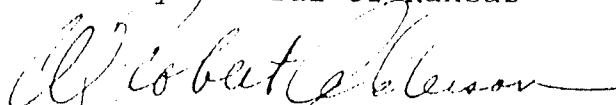
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In summary, it is our opinion that those provisions of K.S.A. 17-2015 which require the state banking board's approval of a trust company's change in location are applicable to a trust company wherein moneys are currently on deposit. Accordingly, since Colonial Trust Company in Abilene, Kansas has current savings and time deposits, that company's proposed move to Great Bend, Kansas is subject to approval by the state banking board.

Very truly yours,



ROBERT T. STEPHAN
Attorney General of Kansas



W. Robert Alderson
First Deputy Attorney General

RTS:WRA:hle

application of the existing bank to change its place of business and disapprove the application or applications for incorporation and authority to do business. (L. 1977, ch. 45, § 4; July 1.)

9-1803. Expenses of examination and investigation; payment; use and disposition of moneys received. All expenses incurred in making any examination and investigation under K.S.A. 9-1802 shall be paid by the applicants, who shall pay one thousand dollars (\$1,000) to the commissioner to defray all such expenses. The board may require an additional payment of not to exceed five hundred dollars (\$500) at any time it deems it necessary. The commissioner shall remit all amounts received under this section to the state treasurer who shall deposit the same to a separate special account in the state treasury for each application. The moneys in each such account shall be used only to pay the expenses of the examination and investigation to which it relates and any unused balance shall be transferred to the state general fund. Any members of the board who make such an examination or investigation shall be paid the sum of thirty-five dollars (\$35) per diem for the time they actually are engaged in performing their duties as members of such board, and in addition thereto, shall be paid all their actual and necessary expenses incurred in the performance of such duties from such funds. (L. 1975, ch. 44.)

9-1804. Place of business; change of; application, investigation and approval; expenses of examination and investigation; payment; use and disposition of moneys received. No bank incorporated under the laws of this state shall change its place of business, from one city or town to another or from one location to another within the same city or town, without the prior approval of the state banking board. Any such bank desiring to change its place of business shall file written application with the board in such form and containing such information as the board shall require. The board shall examine and investigate the application, and shall inquire into the public necessity for such bank in the community wherein it is proposed to locate the same, and thereafter shall approve or disapprove the application. The expenses of such examination and investigation shall be paid by the bank which shall deposit with the commissioner therefor the sum of five hundred dollars (\$500) and such further sums as are required by the commissioner. Any members of the board who make such an examination or investigation shall be paid the sum of thirty-five dollars (\$35) per diem for the time they actually are engaged in performing their duties as members of such board, and in addition thereto shall be paid all their actual and necessary expenses incurred in the performance of such duties from such funds. The commissioner shall remit all amounts received under this section to the state treasurer who shall deposit the same to a separate special account in the state treasury for each application. The moneys in each such account shall be used only to pay the expenses of the examination and investigation to which it relates, and any unused portion of such deposit shall be refunded to the bank. (L. 1975, ch. 44.)

9-1805. Removal of officer or director; notice and hearing; appeal. If it shall come to the attention of the board that any officer or director of any bank or trust company has been dishonest, reckless or incompetent in performing his or her duties as such officer or director or willfully or continuously fails to observe any order of the commissioner or board legally made, the board, upon proof thereof, may remove such officer or director in the following manner. The board, in a notice signed by the commissioner, shall notify such officer or director by mail that it has been informed that he or she has been dishonest, reckless or incompe-

THE STATE



OF KANSAS

SBL
file

BANKING DEPARTMENT
TOPEKA

JOHN A. O'LEARY, JR.
BANK COMMISSIONER

December 9, 1982

The Honorable Robert Stephan
Attorney General of Kansas
Kansas Judicial Center
Topeka, Kansas 66612

Dear General:

An application for authority to organize and transact business as a trust company has been filed with this office pursuant to K.S.A. 17-2022. I request the benefit of your advice regarding the following questions occasioned by this filing.

1. Are the rules and regulations of the State Bank Commissioner governing applications for certificates of authority found at K.A.R. 17-16-1, et seq., applicable to the processing of this application?
2. What is the authority of the State Bank Commissioner and State Banking Board to adopt rules and regulations governing applications for authority to organize trust companies?
3. Do K.S.A. 17-2022 and 17-2023, or any other statutes or principles of law, require that notice be given of the filing of an application to organize and transact business as a trust company and the investigation of the application by the State Banking Board and, if so, what notice is required?

Your early attention to this request for your advice will be appreciated so that the pending application may be processed without undue delay.

Very truly yours,

John A. O'Leary, Jr.
State Bank Commissioner

JAO:jas

cc: File (1)

INSTALLMENT LOANS

Daily payment journal	2 years
Trial balance (if only complete history on borrower)	5 years
New loan report	2 years
Loans paid report	2 years
Past-due report	Optional

(Authorized by K.S.A. 9-1713; effective May 1, 1978.)

Article 16.—CHARTER APPLICATIONS

17-16-1. Filing of application. Each application for a certificate of authority shall be filed with the state banking commissioner, at his offices in Topeka, Kansas. The application shall be filed by filing the original and nine copies thereof. Any supplemental application, and any other documentary matter submitted by the applicant pertaining to this application shall be submitted only by filing with the state bank commissioner. Any supplemental application, together with any documents submitted in support thereof, with the exception of correspondence, shall be filed together with nine copies thereof. (Authorized by K.S.A. 9-1713; effective, E-77-18, March 19, 1976; effective, E-78-12, April 27, 1977; effective May 1, 1978.)

17-16-2. Contents of application. The application shall contain the name of the proposed bank, and the address of the proposed bank. It shall contain in addition, the following:

1. The names and addresses of the officers, organizers and incorporators of the proposed bank, together with a descriptive statement of the financial standing and character of each such person; a formal financial statement is required to be submitted. All personal financial statements shall be kept confidential.

2. A statement of the character, qualifications and experience of the officers of the proposed bank.

3. A statement of the facts believed by the applicant to support a finding of public need for such bank in the community wherein it is proposed to locate same.

4. A statement of the names and addresses of national and state banks whose main banking office is located within a radius of 25 miles of the site of the proposed bank and of the address and name of each detached auxiliary banking facility located within a radius of 25 miles of the site of the proposed bank. (Authorized by K.S.A. 9-1713; effective,

E-77-18, March 19, 1976; effective, E-78-12, April 27, 1977; effective May 1, 1978.)

17-16-3. Presentation to board. Said application shall be presented to the board at its next regular meeting after the filing thereof. (Authorized by K.S.A. 9-1713; effective, E-77-18, March 19, 1976; effective, E-78-12, April 27, 1977; effective May 1, 1978.)

17-16-4. Investigating subcommittee. Not later than six months after the filing of said original application, the chairman of the board shall appoint an investigating subcommittee of said board to conduct on behalf of the board an investigation pursuant to K.S.A. 9-1802. Said committee shall be composed of 3 persons, one of whom shall be designated chairman by the chairman of the full board. No person shall be appointed to said investigating subcommittee who is an officer of any state or national bank which has its main office or a detached auxiliary banking facility located within a radius of 25 miles of the site of the proposed bank, or any nonbanker member of [the] board who resides within a radius of 25 miles. (Authorized by K.S.A. 9-1713; effective, E-77-18, March 19, 1976; effective, E-78-12, April 27, 1977; effective May 1, 1978.)

17-16-5. Hearing; notice. The investigating subcommittee shall conduct an investigation, which shall include a hearing located in the city in which the bank is proposed to be located. Notice of said hearing shall be published by incorporators in the official newspaper in such community, or if there be no such official newspaper, in an official newspaper in the county in which such city is located. Said notice shall be published not less than ten or more than thirty days prior to the date of said local hearing, and proof of publication shall be supplied to [the] bank commissioner in Topeka.

In addition, notice of said hearing shall be furnished to the chief executive officer of any state or national bank, whose main banking office or detached facility is located within a radius of 25 miles from the proposed site, by the office of the state banking department. The list of such persons to whom notice has been given shall be available for inspection in the office of the state bank commissioner. (Authorized by K.S.A. 9-1713; effective, E-77-18, March 19, 1976; effective, E-78-12, April 27, 1977; effective May 1, 1978.)

17-16-6. Transcript of hearing. At said local hearing, applicants for said proposed bank shall present all such matters as applicant believes material in support of those criteria prescribed by K.S.A. 9-1803. All proceedings of said investigating subcommittee at said hearing shall be recorded by a certified shorthand reporter, and all documentary matter submitted by the applicant or any other person at said hearing shall be marked as an exhibit to the transcript thereof. (Authorized by K.S.A. 9-1713; effective, E-77-18, March 19, 1976; effective, E-78-12, April 27, 1977; effective May 1, 1978.)

17-16-7. Copies of transcript. Upon completion of the transcript of said hearing, a copy thereof shall be filed in the office of the state bank commissioner, and one copy furnished to each member of the state banking board not less than fourteen days prior to the meeting at which said application is considered. (Authorized by K.S.A. 9-1713; effective, E-77-18, March 19, 1976; effective, E-78-12, April 27, 1977; effective May 1, 1978.)

17-16-8. Statements in support or opposition of application. In the notice published as stated above of said investigating sub-

committee hearing in the community where the proposed bank is to be located, and in the notice furnished to any interested party as aforesaid, there shall be a notice that any interested party may submit in writing a statement in support of or opposing said application, which shall be filed in the office of the state bank commissioner, and that any such statement may be filed not later than ten days after the completion of the local hearing conducted by the investigating subcommittee.

The applicant shall be notified of the receipt of any such statement, and, at the expense of the applicant, furnished a copy thereof. The applicant shall be entitled to respond to any such statement, either in writing or by personal appearance before the full state banking board. (Authorized by K.S.A. 9-1713; effective, E-77-18, March 19, 1976; effective, E-78-12, April 27, 1977; effective May 1, 1978.)

17-16-9. Consideration of application by board. At the regular meeting of the board held next after each member thereof has been furnished a transcript of the proceedings of the investigating subcommittee for a period of not less than fourteen days, or at any meeting thereafter as designated by the chairman of the board, said application shall be considered by the board, and the board shall approve or disapprove said application. In either event, no action by the board shall be final until a statement of findings of fact in support of said action shall have been prepared by such person designated to do so by the chairman thereof, circulated to and signed by those members voting thereon, and filed in the office of the state bank commissioner. (Authorized by K.S.A. 9-1713; effective, E-77-18, March 19, 1976; effective, E-78-12, April 27, 1977; effective May 1, 1978.)