

Approved March 24, 1987  
Date

MINUTES OF THE SENATE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE

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

9:00 a.m./~~p.m.~~ on March 23, 1987 in room 529-S of the Capitol.

All members were present except:

Sen. Reilly - Excused

Committee staff present:

Myrta Anderson, Legislative Research  
Bill Edds, Revisor of Statutes

Conferees appearing before the committee:

Rita D'Agostino, Kansas Banking Department  
L. M. Cornish, Kansas Life Association and Kansas Association of Property and  
Casualty Insurance Companies

The meeting began with the hearing on HB 2408 which amends sections of the banking statutes. Rita D'Agostino of the Kansas Banking Department testified in support of the bill and offered amendments to it. (See Attachments I and II.)

During her testimony, Sen. Werts asked for a definition of the difference between a time deposit open account and a time certificate of deposit. Ms. D'Agostino said it is not defined in the bill but is in the amendments she had prepared. The chairman suggested that she refer to the amendments as she discussed each section.

In Ms. D'Agostino's testimony regarding Section 2, a national bank converting to a state charter, the chairman felt unclear as to the phrase, "organized as a corporation". After a short discussion in an attempt to clarify the phrase, Sen. Werts suggested that the language be changed to clearly indicate what is meant, and Ms. D'Agostino was agreeable to this.

With regard to Section 8 of the testimony, Sen. Karr asked if Ms. D'Agostino would be in agreement to adding national and state credit unions to the list of those who can share reports, and she had no objections to doing this. Sen. Gannon asked if finance companies could be added also. She said this would be difficult because the Consumer Credit Commissioner does not regulate them that closely, and they do not have the same examination process, but she agreed with Sen. Gannon that they would be able to discover the unscrupulous companies.

As the testimony proceeded, Sen. Werts questioned the existing language on line 695, Section 11, regarding "deputies". He thought that perhaps it should be changed to read "or". With regard to line 698, Sen. Werts asked for a definition of "owners". Ms. D'Agostino said it refers to those that are stockholders.

Sen. Gannon wanted to know more about the House floor amendment regarding the State Banking Board. The chairman said that, in essence, that is the way it is now. Ms. D'Agostino said that it is a little different than at present as to the districts from which they come and explained the difference. She did not know the reason for the amendment which was offered by Rep. Ed Rolfs.

As to the last amendment requested, that the act be in effect after publication in the Kansas Register, the chairman noted that it probably would not be published until May anyway, therefore, Ms. D'Agostino withdrew this amendment.

Jim Maag of the Kansas Bankers Association stood to explain further the section regarding the State Banking Board. He said it eliminates the town size provision, but it still has the geographic provision. This concluded the hearing on HB 2408. Committee discussion will take place later as time permits.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE,  
room 529-S, Statehouse, at 9:00 a.m.~~p.m.~~ on March 23, 1987

Attention was turned to HB 2455 dealing with conversion of an insurance company from a mutual to a stock company. L. M. Cornish, representing the Kansas Life Association and the Kansas Association of Property and Casualty Insurance Companies, testified in support of the bill. He said in 1985 the legislature passed a statute involving the procedure to convert from mutual to stock. Lines 39-42 of the bill change the time of the conversion value. At present, it is as of the date the board met for the change, but this changes it to as of the calendar quarter immediately before the board's approval. A second change inserts "eligible" before "policyholders" in several lines of the bill. A third change deletes "eligible" on line 142 where it was erroneously inserted. The chairman asked for a definition of "eligible". Mr. Cornish said an eligible policyholder is one that has had a policy at least two years out of the three immediately preceding years with the thought that to be eligible for this conversion, there should be a substantial investment.

Sen. Werts made a motion to report HB 2455 favorably and to put it on the Consent Calendar, Sen. Gordon seconded, and the motion carried.

The minutes of March 20 were approved.

The meeting was adjourned.

SENATE COMMITTEE  
ON  
FINANCIAL INSTITUTIONS AND INSURANCE

OBSERVERS  
(Please print)

DATE	NAME	ADDRESS	REPRESENTING
	L.M. CORNISH	Topeka	Ks Life & P/C Assn's
	ROGER VIOLA	"	SECURITY BENEFIT LIFE
	BON TODD	"	INS. Dept.
	M. HOWE	"	Can-Jury
	Summle	"	KBA
	Dr. D. [unclear]	"	Kansas Banking Department

HOUSE BILL NO. 2408

Testimony of: Rita M. D'Agostino, General Counsel  
Kansas Banking Department

Presented to: The Senate Committee on Financial Institutions and Insurance

Date: March 23, 1987

House Bill No. 2408 amends several sections of the Kansas banking statutes. It is not the intention of this department to change any substantive or structural issues by the proposed bill. As a whole, we believe that this bill is merely "clean-up" to enable the department, examiners, bankers and the public, to better comprehend the law. In addition, there are some sections which are amended to better enable this department to carry out its regulatory function.

Section 1. K.S.A. 9-701

Section 1 amends K.S.A. 9-701 which provides the definitional section to the banking laws.

The definitions of "time deposit" and "savings deposit" have both been patterned after the Federal regulations. Since deregulation in March 1986, these definitions have been revised by the Federal Reserve Board ("FRB"). In order for state banks to be on parity with other national banks the department is asking for certain changes in subsection (i), (j) and (k).

Subsection (i) and (j) define two different types of time deposits. The FRB regulation, in effect, has changed all the "14 day minimum withdrawal notice" to "7 days". The department requests that all references to "14 days" be amended to "7 days" so as to be uniform with the FRB regulations by which

all state and national banks are bound.

Subsection (K) defines "savings deposit" to include deposits of a corporation or partnership not exceeding \$150,000. This "\$150,000 limitation" was removed from the Federal Reserve Reg. Q April 1, 1986. This present statutory definition of "savings deposit" was modeled after the FRB Reg. Q. In order to put state banks on parity with national banks regarding the level of corporate accounts, we are asking that the "\$150,000 limitation" be eliminated from subsection (K) as well.

#### Section 2. K.S.A. 9-901a

Section 2 amends K.S.A. 9-901a which sets forth capital requirements for newly chartered banks in Kansas.

This department has had several questions regarding whether the requirements of subsection (c) apply to banks which are converting from a national to a state charter. In researching this issue, we are of the opinion that the word "organized" means organized as a corporation. As a result, a national bank already incorporated under the laws of the state of Kansas would not be required to maintain the greater minimum under subsection (c), but rather, more appropriately, a bank converting would be required to maintain the minimum capital pursuant to subsection (b).

For clarity sake, the department requests K.S.A. 9-901a(c) be amended by adding the words "as a corporation."

#### Section 3. K.S.A. 9-906

Section 3 amends K.S.A. 9-906 which sets forth the requirements imposed on a bank when its capital stock is impaired.

Attachment I  
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The added phrase and word are added for clarity. The rewording of the statutes does not in any way change the meaning of the statute but allows it to be more readable.

Section 4. K.S.A. 9-907

Section 4 amends K.S.A. 9-907 and accompanies K.S.A. 9-906. K.S.A. 9-907 sets forth the procedure with which a bank must comply if the stockholders do not meet the assessment pursuant to K.S.A. 9-906.

Again, the two added phrases are merely to clarify the time frames of the statute. The "120 day" addition refers back to the impairment notice of K.S.A. 9-906. The statute as it stands does not set out a time frame for when the directors must have a sale of the bank's stock if the stockholders do not meet the required assessment of K.S.A. 9-906. The "120 days" sets a maximum time frame by which a bank must act to sell its stock when the assessment is not met.

Secondly, the phrase "from the date of the public or private sale" is an amendment which would clarify what is already implied in the statute: the "6 months" requirement is 6 months from the date of the sale of the stock.

Section 5 and Section 6. K.S.A. 9-1101(6); K.S.A. 9-1102

Sections 5 and 6 would repeal K.S.A. 9-1101(6) and most of K.S.A. 9-1102 and replace with new language. Both of these sections contain restrictions on a bank's ownership of real estate and certain personal property.

The amendment would strike "KBA Mortgage Corporation" from new subsection 14 of K.S.A. 9-1102 since "KBA Mortgage Corporation" no longer exists. The effect would be to allow a bank to invest up to 2% of its capital stock,

surplus and undivided profits in any corporation which has as its main purpose acquisition and disposition of loans secured by real estate.

Presently, K.S.A. 9-1101(6) and 9-1102 deal with the same general topics. The problem is that portions of the two sections conflict. In addition, it would be beneficial to combine the sections so as to place the same topic under one statute instead of two. Again, the amendment does not change any substantive portions of either statute. The two statutes are merely combined and reworded so as to be more readable.

Under the proposed amendment, subsection (a) of Section 6, a state bank may own buildings, furniture, fixtures, stock in a non-depository trust company, stock in a safety deposit company and stock in a bank service corporation which owns the bank property. Such ownership is subject to certain limitations including the limitation that such ownership or investments may not exceed 1/2 of the bank's capital stock, surplus and capital notes and debentures.

Subsection (b) of Section 6 remains unchanged.

Section 8. K.S.A. 9-1303

Section 8 amends K.S.A. 9-1303 which generally governs the exchange of examination reports between the state and other regulatory agencies.

The portion of the statute to be stricken again is merely for clean-up. Two years ago the department's fee structure for bank examinations was revised. Since the department no longer operates on a percentage fee basis this portion of K.S.A. 9-1303 is no longer necessary or applicable.

The other proposed, amended portion of this statute allows for the

*lines  
585-593  
(new  
sect. 7)*

commissioner to share reports with additional agencies. Presently, the commissioner may share reports with the FDIC and the Federal Reserve Board. This amendment would also allow the commissioner to share reports with the comptroller's office, the federal home loan banks, the Kansas savings and loan department, and other state banking and savings and loan departments.

The department requests this change due to the increasing need for exchange of information with other regulators. As the financial industry becomes more complex and expansive, the need for shared information regarding bankers and shareholders becomes more vital and necessary.

For example, this department must often look to other regulators for background information on individuals making application to become a majority shareholder or chief executive officer of a Kansas bank. A good source for determining the character, background and/or the financial stability of an applicant is his or her history with other financial institutions in other states. The sharing of such information between regulators greatly aids in evaluating such applicant's general qualifications.

#### Section 8. K.S.A. 9-1712

Section 8 amends K.S.A. 9-1712 which governs the confidentiality of bank records.

The amendment would provide that any original bank record generated by this department not be removed from the office. This would prevent the department from being required to move original documents pursuant to a subpoena. It would allow, not prevent, access to bank records at the office of the department only.



Section 9. K.S.A. 9-1719

Section 9 amends K.S.A. 9-1719 which governs change of control application requirements for state banks.

At this time, trust companies which wish to change ownership are not required to submit any application to the commissioner, and as such, no commissioner approval is required. The proposed amendment would require that trust companies which wish to change ownership submit an application just as state banks are required to do so pursuant to K.S.A. 9-1719 et seq.

Section 10. K.S.A. 9-1724

Section 10 amends K.S.A. 9-1724 which requires state banks to submit an application prior to a merger or consolidation or transfer of assets.

The added subsection (b) would require a trust company proposing to merge or consolidate or transfer assets to another corporation or trust company to submit an application to the commissioner for his approval just as banks presently must do so under K.S.A. 9-1724.

Section 11. K.S.A. 9-2014

Section 11 amends K.S.A. 9-2014 which requires the commissioner to inform the county attorney of the violation of certain banking laws.

The amendment adds the requirement that commissioner notify the county or district attorney of the violation. This amendment merely clarifies the fact that there may be either a county or district attorney in the county where that bank is located.

In addition, the amendment adds "directors" to the list of violators which must be reported to the county or district attorney. The department

believes that the word "directors" was inadvertently left out of the statute since the statutes mandating what is or is not a crime includes directors as well as officers and employees.

Section 12. K.S.A. 17-2008

Section 12 amends K.S.A. 17-2008 which governs the minimum shareholder requirements of a director of a trust company *line 966*

Presently, to qualify as a board member of a trust company an individual must own at least \$1,000 worth of trust company stock.

This amendment changes the stock requirement of a trust company director to that required of a bank director: \$500 worth of bank stock or parent company stock. Thus, as a result of this amendment an individual who owns \$500 worth of stock in the parent company of a bank would qualify as a board member of both the bank's board and the affiliate trust company's board. In addition, this amendment also would require identical stock ownership amount requirements so that the amount of qualifying shares for a bank director is the same as that for a trust company director.

Section 13. K.S.A. 74-3004

Section 13. Amends 74-3004 which sets forth the composition and qualifications of the State Banking Board. This entire section was added as an amendment in the House Committee on the Whole. The Department has no objection to this addition to House Bill 2408.

Section 14. K.S.A. 75-3135

Section 14 amends K.S.A. 75-3135 which allows the commissioner to appoint special assistants or other employees, as necessary.

The proposed amendment permits commissioner to actually contract out and pay for the services provided by special assistants or other employees appointed. Although the right to "contract out" for such services is implied in the statute, the actual wording added provides the department with the clear authority to contract out and expend monies for such services. *line 61*

AMENDMENTS TO HOUSE BILL NO. 2408 (AM. BY HOW)

To: Senate Committee on Financial Institutions and Insurance

Fr: Rita M. D'Agostino, General Counsel, Kansas Banking Department

Dt: March 23, 1987

Re: House Bill No. 2408 (As Amended by House Committee of the Whole)

SECTION 1. K.S.A. 9-701

Section 1. K.S.A. 1986 Supp. 9-701 is hereby amended to read as follows:  
9-701. Unless otherwise clearly indicated by the context, the following words when used in this act, for the purposes of this act, shall have the meanings respectively ascribed to them in this section:

- (a) "Bank" means a state bank incorporated under the laws of Kansas.
- (b) "Trust company" means a trust company incorporated under the laws of Kansas.
- (c) "Board" means the Kansas state banking board.
- (d) "Commissioner" means the Kansas state bank commissioner.
- (e) "Insured bank" means a trust company or state bank whose deposits are insured through the federal deposit insurance corporation or other governmental agency or by an insurer approved by the state commissioner of insurance for such purpose.
- (f) "Item" means any check, note, order, or other instrument or memorandum providing for the payment of money, or upon which money may be collected.
- (g) "Demand deposits" includes every deposit which is not a "time deposit," "savings deposit," or "negotiable order of withdrawal deposit," as defined in this section.

(h) "Time deposits"

~~(1) A deposit that the depositor does not have a right and is not permitted to make withdrawals from within six days after the day of deposit unless the deposit is subject to an early withdrawal penalty of at least seven days' simple interest on amounts withdrawn within the first six days after deposit. A time deposit from which partial early withdrawals are permitted must impose additional early withdrawal penalties of at least seven days' simple interest on amounts withdrawn within six days after each partial withdrawal. If such additional early withdrawal penalties are not imposed, the account ceases to be a time deposit. The account may become a savings deposit if it meets the requirements for a savings deposit; otherwise it becomes a transaction account. "Time deposit" includes funds:~~

~~(A) Payable on a specified date not less than seven days after the date of deposit; (B) payable at the expiration of a specified time not less than seven days after the date of deposit; (C) payable only upon written notice that is actually required to be given by the depositor not less than seven days prior to withdrawal; (D) held in "club" accounts such as Christmas club accounts and vacation club accounts that are not maintained as savings deposits that are deposited under written contracts providing that no withdrawal shall be made until a certain number of periodic deposits have been made during a period of not less than three months even though some of the~~

~~deposits may be made within six days from the end of the period; or (E) shall certificates and certificate of indebtedness issued by credit unions, and certificate accounts and notice accounts issued by savings and loan associations,~~

~~(i) a savings deposit;~~

~~(ii) an IBF time deposit meeting the requirements of 12 CFR 204.8(a)(2); and~~

~~(iii) borrowings, regardless of maturity, represented by a promissory note, an acknowledgment of advance, or similar obligation described in 12 CFR 204.2(a)(1)(vii) that is issued to, or any bankers' acceptance other than the type described in 12 USC 372 of the depository institution held by: (A) Any office located outside the United States of another depository institution or edge or agreement corporation organized under the laws of the United States; (B) any office located outside the United States of a foreign bank; (C) a foreign national government, or an agency or instrumentality, thereof, engaged principally in activities which are ordinarily performed in the United States by governmental entities; (D) an international entity of which the United States is a member; or (E) any other foreign, international or supranational entity specifically designated by the federal reserve:~~

~~(2) A time deposit may be represented by a transferable or nontransferable, or a negotiable or nonnegotiable, certificate;~~

~~instrument, passbook, or statement, or by book entry or otherwise.~~

shall mean "time certificates of deposit" and "time deposits, open account," as defined in this section.

(i) ~~"Time certificate of deposit" means time deposits as defined in subsection (h).~~ shall mean a deposit evidenced by a negotiable or non-negotiable instrument which provides on its face that the amount of such deposit is payable, upon presentation and surrender of the instrument, to bearer or to any specified person or to such person's order:

(1) On a certain date, specified in the instrument, no less than ~~14~~ 7 days after the date of the deposit;  
or

(2) at the expiration of a certain specified time not less than ~~14~~ 7 days after the date of the instrument; or

(3) upon notice in writing which is actually required to be given not less than ~~14~~ 7 days before the date of repayment.

(j) ~~"Time deposit, open account" means time deposits as defined in subsection (h).~~ shall mean a deposit, other than a "time certificate of deposit," with respect to which there is in force a written contract with the depositor that neither the whole nor any part of such deposit may be withdrawn, by check

or otherwise, prior to the date of maturity, which shall be not less than ~~14~~ 7 days after the date of the deposit, or prior to the expiration of the period of notice which must be given by the depositor in writing not less than ~~14~~ 7 days in advance of withdrawal.

- (k) "Savings deposit" means a deposit: (1) Which consists of funds deposited to the credit of or in which the entire beneficial interest is held by one or more individuals, or of a corporation, association or other organization operated primarily for religious, philanthropic, charitable, educational, fraternal or other similar purposes and not operated for profit; of that consists of funds deposited to the credit of or in which the entire beneficial interest is held by the United States, any state of the United States or any county, municipality or political subdivision thereof, or that consists of funds deposited to the credit of, or in which any beneficial interest is held by a corporation, partnership, association or other organization not qualifying above; and (2) with respect to which the depositor is not required by the deposit contract but may at any time be required by the bank to give notice in writing of an intended withdrawal not less than seven days before such withdrawal is made and which is not payable on a specified date or at the expiration of a specified time after the deposit of deposit.
- (l) "Public moneys" means all moneys coming into the custody of the



United States government or any board, commission or agency thereof, and also shall mean all moneys coming into the custody of any officer of any municipal or quasi-municipal or public corporation, the state or any political subdivision thereof, pursuant to any provision of law authorizing any such official to collect or receive the same.

- (m) "Municipal corporation" means any city incorporated under the laws of Kansas.
- (n) "Quasi-municipal corporation" means any county, township, school district, drainage district, or any other governmental subdivision in the state of Kansas having authority to receive or hold moneys or funds.
- (o) "Certificate of authority" means a statement signed and sealed by the commissioner evidencing the authority of a bank or trust company to transact a general business as such.
- (p) "Transaction account" means a deposit or account on which the depositor or account holder is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone transfers, or other similar device for the purpose of making payments or transfers to third persons or others.
- (q) "nonpersonal time deposit" means a time deposit, including a savings deposit that is not a transaction account, representing funds in which any beneficial interest is held by a depositor which is not a natural person.

(r) "Negotiable order of withdrawal deposit" means a deposit on which interest is paid and which is subject to withdrawal by the owner by negotiable or transferable instruments for the purpose of making transfers to third parties, and which consists solely of funds in which the entire beneficial interest is held by one or more individuals, an organization which is operated primarily for religious, philanthropic, charitable, educational, fraternal or other similar purposes and which is not operated for profit, and with respect to deposits of public funds by an officer, employee or agent of the United States, any state, county, municipality or political subdivision thereof, the District of Columbia, the commonwealth of Puerto Rico, American Samoa, Guam, any territory or possession of the United States or any political subdivision thereof.

SECTION 4. K.S.A. 9-907

Sec. 4. K.S.A. 9-907 is hereby amended to read as follows: 9-907. Whenever any stockholder of a bank or trust company or an assignee of such stockholder, fails to pay any assessment on ~~stockholders~~ stockholders stock when the same is required to be paid, the directors of such bank or trust company may sell the stock of such delinquent stockholder, or so much thereof as shall be necessary, to satisfy the assessment and any expenses incident thereto, within 120 days of the bank or trust company's receipt of impairment notice, to any person paying the highest price therefor, which price shall be not less than the amount due upon such stock with any expense incident

thereto, and such sale may be either public or private. If sold at private sale and the price offered by any nonstockholder shall not exceed the highest bid of any stockholder, then such stock shall be sold to the stockholder. If such sale shall be public, then three weeks' notice thereof, published in a newspaper of general circulation in the city or county where the bank or trust company is located, shall be given. The excess, if any, realized upon the sale of the stock shall be paid to the delinquent stockholder unless such stockholder is further indebted to the bank or trust company then it may be retained by the bank or trust company as an offset. If no purchaser can be found for such stock upon the terms herein stated the stock shall be forfeited to the bank or trust company to be disposed of within six months from the date of the public or private sale as the board of directors shall determine.

**SECTION 6. K.S.A. 9-1102**

Sec. 6. K.S.A. 1986 Supp. 9-1102 is hereby amended to read as follows:  
9-1102.

(a) Any bank may own, purchase, lease, hold, encumber or convey real property and certain personal property subject to the following:

(1) Own suitable building, furniture and fixtures, stock in a single nondepository trust company organized under the laws of the state of Kansas, and stock in a safe deposit company organized under the laws of the state of Kansas, and stock in a corporation organized under the laws of this state owning real estate occupied by the bank ~~and advances to such corporations acquired or made after July 1, 1973.~~ If the trust company engages in the business of receiving deposits of banks, such

stock shall be sold within six months or removed as an asset of the bank. The trust company and the safe deposit company in which a bank owns stock shall be located at all times in the same city or township where the bank owning such stock the bank shall dispose of such stock immediately;

- (2) purchase, hold, encumber and convey real estate or lease as lessor or lessee any building or buildings. Any real estate not necessary for the bank's accommodation in the transaction of its business shall be disposed of by the bank not later than seven years after its acquisition unless the state bank commissioner authorizes the bank to retain such real estate for a period not to exceed an additional two years;
- (3) a bank's total investment or ownership at all times in any one or more of the following shall not exceed 1/2 of its capital stock, surplus and capital notes and debentures, and any such excess shall be removed from the bank's books unless approval is granted by the state bank commissioner:
  - (A) The book value of real estate plus all encumbrances thereon;
  - (B) the book value of furniture and fixtures;
  - (C) the book value of stock in a safe deposit company;
  - (D) the book value of stock in a trust company; or
  - (E) the book value of stock in a corporation organized under the laws of this state owning real estate occupied by the bank and advances to such corporation acquired or made

after July 1, 1973.

Except that any real estate not necessary for the accommodation of the bank's business shall be disposed of according to paragraph (2).

- (b) Any bank may acquire real estate in satisfaction of any debts due it and may purchase real estate in satisfaction of any debts due it, and may purchase real estate at judicial sales, but no bank shall bid at any judicial sale a larger amount than is necessary to protect its debts and costs. No real estate, except for agricultural land, as defined in K.S.A. 17-5903, and amendments thereto, acquired in the satisfaction of debts or upon judicial sales shall be carried as a book asset of the bank for more than five years. At the termination of the five years such real estate shall be charged off. No agricultural land, as defined in K.S.A. 17-5903, and amendments thereto, acquired in satisfaction of debts or upon judicial sales shall be carried as a book asset of the bank for more than 10 years. At the termination of the 10 years such agricultural land shall be charged off. The commissioner may grant an extension for an additional four years, or any portion thereof, if in the commissioner's judgment it will be to the advantage of the bank to carry the real estate or agricultural land as an asset for such extended period.

SECTION 7. K.S.A. 9-1303

Sec. 7. K.S.A. 1986 Supp. 9-1303 is hereby amended to read as follows:  
9-1303. The state bank commissioner hereby is authorized to accept any report

Attachment II  
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of examination of a state bank or trust company made within a reasonable period by the federal deposit insurance corporation or its successor, by the federal reserve bank or by the certified public accountant or independent auditor auditing the accounts of any bank or trust company insured by a private insurer, as authorized under the provisions of this act, but only one such report of examination shall be accepted in lieu of any examination required by this act in any one calendar year. The commissioner also may accept any report obtained by the insurance corporation, the federal reserve bank or private insurer within a reasonable time relative to the condition of any bank or trust company in lieu of any report required by this act.

The commissioner shall furnish to the insurance corporation or private insurer, or to any officer or examiner thereof, a copy of any or all examination reports made by the commissioner, or the commissioner's examiners, of any bank or trust company insured by the corporation or insurer, and any or all reports made to the commissioner by any bank or trust company insured by such corporation or insurer. The commissioner may disclose to the insurance corporation or private insurer, or any official or examiner thereof, any and all information contained in the commissioner's office concerning the condition of affairs of any bank or trust company insured by such corporation or insurer.

The commissioner may furnish to the federal reserve bank, office of the comptroller of currency, the federal home loan bank, the Kansas savings and loan department and other state bank regulatory agencies and savings and loan regulatory agencies or any officer or examiner thereof, a copy of any or all examination reports made by the commissioner, or the commissioner's examiners of any bank or trust company which is a member or nonmember of the federal

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reserve system and any or all reports made to the commissioner by any bank or trust company which is a member of the federal reserve system. The commissioner may disclose to the federal reserve bank, office of the comptroller of currency, the federal home loan bank, the Kansas savings and loan department and other state bank regulatory agencies and savings and loan regulatory agencies or any officer or examiner thereof, any and all information contained in the commissioner's office concerning the condition of affairs of any bank or trust company which is a member or nonmember of the federal reserve system. Nothing in this act shall be construed to limit the powers of the commissioner with reference to examinations and reports required by this act.

SECTION 16.

This act shall take effect and be in force from and after its publication in the ~~statute book~~, Kansas Register.