

Approved

3/3/89

Date

MINUTES OF THE SENATE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE

The meeting was called to order by SENATOR RICHARD L. BOND at
Chairperson

9:00 a.m./~~p.m.~~ on WEDNESDAY, MARCH 1, 1989 in room 529-S of the Capitol.

All members were present ~~except~~

Committee staff present:

Bill Wolff, Legislative Research
Bill Edds, Revisor's Office
Louise Bobo, Committee Secretary

Conferees appearing before the committee:

There were none.

Chairman Bond called the meeting to order at 9:23 a.m.

Senator Salisbury made the motion that the minutes of February 27 and February 28 be approved as written. Senator Strick seconded the motion. The motion carried.

SB 249 - The committee continued discussion on this legislative proposal. One committee member remarked that he served on an interim committee concerning interstate banking and that he was under the impression that "the attitude of all banks is such that no one is really serious about this bill." Another committee member thought that this bill would be detrimental to small banks who would have decisions made from a long distance, also, they stated that the bill would not be beneficial to the agricultural industry. A committee member remarked that, in rural areas, the banks could not compete, nor were they attractive enough that another bank would want to take them over.

Senator Salisbury made the motion to amend the bill to delay the enactment for two years as it relates to contiguous states and to amend section 5 to January 1, 1994. Senator Parrish seconded the motion.

Discussion continued with a committee member stating that we needed interstate banking in order to stimulate economic growth. Another committee member told the committee there was no point in delaying enactment of the bill unless the time would be used to explain the concept in depth--if the bill is good, then it should be passed in its present form, if not, there was no point in delay.

Senator Anderson offered a substitute motion to amend the bill by leaving section 5 as it is and extending the date of enactment in section 6 by one year to 1990. Senator Yost seconded the motion. The motion passed.

Senator Yost made a motion to report SB 249 favorably as amended. Senator Salisbury seconded the motion.

Discussion continued. A committee member felt there was a great deal of apathy concerning this bill and there was no need to bring it to the floor if it "won't go anywhere." The committee member continued that he/she would rather keep the bill in committee to keep it alive. Another committee member stated there was no need to get overanxious about this bill as passage of this legislation will affect the whole state's economy.

The Chairman called for a voice vote on the motion by Senator Yost to report the bill favorably. The Chairman was in doubt so requested a show of hands. The motion failed on a vote of 4-6. SB 249 will remain in committee.

The meeting adjourned at 9:50 a.m.

SENATE COMMITTEE

ON

FINANCIAL INSTITUTIONS AND INSURANCE

OBSERVERS
(Please print)

Wed. Mar 1

DATE	NAME	ADDRESS	REPRESENTING
3/1	JEFF SONNICH	TOPEKA	KLSI
"	LANNY KIMBROUGH	TOPEKA	HIGHLAND PARK BANK
3/1	Bob Hancock	Topeka	BANK IV Topeka
3/1	Robert Long	Wichita	Fourth Financial
	Alan Steppat	Topeka	Ks. Independent Bankers Assoc.
	Jim May	"	FBA
	Ken Alexander	Topeka	BANK IV Topeka
	Matt Truel	Topeka	AP
	M. Hava	"	Cap-Vent
	Pol Sherman	Topeka	observer
	BOB ASMANO	Wichita	Fourth Financial
	RG Fry	TOPEKA	KTLA
	Carl McNeil	Topeka	KIBA
	LINDA McMillan	"	KIBA
	TOM Cleenger	Wichita	Bank IV
	Brad Smoot	Topeka	4th Financial Corp
	Howard W. Lee	Hutchinson	Ks. Ass'n of Wheat Growers
	Charles R. Wanner	Topeka	Kansas Inc.
	Ann Patterson	Topeka	KBOC
	John Peterson	Topeka	4th Fund
	Greg Gilstrap	Topeka	WUBW