

MINUTES OF THE HOUSE FINANCIAL INSTITUTIONS COMMITTEE

The meeting was called to order on January 21, 2004 by Chairman Ray Cox at 3:30 p.m. in Room 527-S of the Capitol.

All members were present except:

Representative Harold Lane- excused  
Representative Nile Dillmore- excused

Committee staff present:

Bruce Kinzie, Revisor's Office  
Bill Wolff Legislative Research Department  
Maggie Breen, Secretary

Conferees appearing before the committee: Ron Gaches - Kansas Association of Financial Services  
Chuck Stones - Kansas Bankers Association

Others attending:

See Attached List.

Representative Cox welcomed the committee and recognized Representative Bob Grant as the new Ranking Minority member this year. He also stated that there was a new member, Representative Harold Lane, who was unable to attend the meeting due to illness.

Representative Cox opened the floor for bill introductions.

**Ron Gaches**, Kansas Association of Financial Services, requested that legislation be introduced to make two amendments to the UCCC which would provide 1) for a \$5 fee to be allowed when funds are withdrawn from accounts via phone service requests. And 2) would allow a financial institution to provide a notice that there will be a fee for a non sufficient fund check on the regular monthly statement rather than requiring that a separate notification be sent out.

Representative Cox said that without objection, the bill would be introduced.

**Chuck Stones**, Kansas Bankers Association, appeared with a request to have two bills introduced. The first request would clarify that anyone who provides records upon the request of the SRS to aid in their follow-up of a report of adult abuse should not be liable for doing so; and it also would allow the SRS to place a 10-day hold on an account of someone they suspect is the victim of fiduciary abuse or exploitation. (**Attachment 1**)

Representative Cox said that without objection, the bill would be introduced.

The second request was to change the limit of IRB investments - KSA 9-1101. Current law allows a bank to only invest in investment securities which are evidences of debt up to 15% of a bank's capital. Now that the lending limit for state-chartered banks is 25%, this bill would bring the limit for investing in securities which are evidences of debt (example: industrial revenue bonds) up to 25%. (**Attachment 2**)

Representative Cox said that without objection, the bill would be introduced.

The meeting adjourned at 3:38 p.m.

The next meeting is scheduled for Wednesday, January 28th.