

February 7, 2011

The Honorable Ruth Teichman, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 236-E
Topeka, Kansas 66612

Dear Senator Teichman:

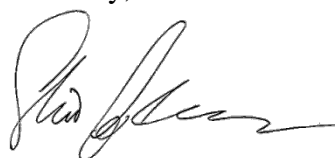
SUBJECT: Fiscal Note for SB 64 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 64 is respectfully submitted to your committee.

SB 64 would allow the Office of the State Bank Commissioner to require fingerprinting and completion of a criminal background check for key individuals related to an application for a money transmitter license, an application for a bank holding company, or a notice of a proposed bank acquisition. The bill would also allow the Kansas State Banking Board the option of requiring fingerprinting and completion of a criminal background checks for key individuals related to an application for a new bank or trust company. The bill requires that all costs associated with the fingerprinting and criminal background checks be paid by the applicant or parties to the application.

The Office of the State Bank Commissioner indicates SB 64 would have no net fiscal effect on its operations. The agency indicates it would require less than ten applicants per year to submit to fingerprinting and criminal background checks and the bill requires the costs associated with the fingerprinting and criminal background checks to be paid by the applicant or parties to the application. The Kansas Bureau of Investigation indicates that the fingerprinting and criminal background checks would be performed by existing staff and that the fees collected would be negligible and would be used to offset the costs associated with completing the criminal background checks. Any fiscal effect associated with SB 64 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Linda Bundy, Banking
Linda Durand, KBI