

MINUTES OF THE HOUSE FINANCIAL INSTITUTIONS.

The meeting was called to order by Chairperson Ray Cox at 3:30 p.m. on March 11, 2002 in Room 527-S of the Capitol.

All members were present except: Representative Toelkes - Excused  
Committee staff present: Bruce Kinzie, Revisor's Office  
Maggie Breen, Committee Secretary  
Conferees appearing before the committee: Lynn Nelson, State Bank Commissioner  
David Brant, State Securities Commissioner

Others attending: See attached list

Chairman Cox presented the committee minutes for February 20, 2002. Representative Grant made a motion to approve the minutes for February 20 as written. Representative Dreher seconded the motion. The motion carried.

Chairman Cox opened the hearing on **SB 470 - Bank Commissioner: Certain positions in the unclassified services**

Proponent:

**Lynn Nelson**, Bank Commissioner testified in favor of **SB 470** which would create a new statute and allow for the bank commissioner to appoint regional managers and financial examiner administrators in the unclassified service. The creation of the position will allow for more flexibility. It will allow the bank commissioner to deploy personnel as supervisory needs and circumstances dictate. (Attachment 1)

Chairman Cox closed the hearing on **SB 470** and opened the hearing on **SB 398 - Regulating securities - Powers of the commissioner.**

Proponent:

**David Brant**, Securities Commissioner, testified in favor of **SB 398**. It amends various statutes under the Kansas Securities Act to update or remove obsolete provisions, and to promote uniformity with other states' and federal securities laws. He said all of the proposed amendments were also proposed last year in **HB 2243**. The bill was tabled due to several provisions which would have provided for the functional regulation of agents selling variable annuities. All references to variable annuities have been deleted and will not be proposed this year. He asked the committee to vote favorably for the passage of the bill. (Attachment 2)

Chairman Cox closed the hearing on **SB 398** and asked the committee what their pleasure was concerning the bill.

Representative Grant made a motion to pass **SB 398** out of committee favorable. Representative Sharp seconded the motion. The motion carried.

Chairman Cox asked the committee what their pleasure was concerning **SB 470**.

Representative Burroughs made a motion to pass **SB 470** out favorably. A substitute motion was made by Representative Tomlinson to amend **SB 470** to include the words "subject to appropriations process." Representative Gatewood seconded the substitute motion to amend. The substitute motion carried.

Representative Minor made a motion to pass **SB 470** as amended. Representative Sharp seconded the motion. The motion carried.

Chairman Cox thanked the committee for their work this year and said there were no plans for the committee to meet again this session. Meeting adjourned at 4:07 p.m.

Minutes were sent to committee members for additions or corrections to be made by March 27<sup>th</sup> at noon. None were received.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

