

## MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

The meeting was called to order by Chairman Ruth Teichman at 9:30 A.M. on March 16, 2006 in Room 234-N of the Capitol.

All members were present.

## Committee staff present:

Melissa Calderwood, Kansas Legislative Research Department  
Terri Weber, Kansas Legislative Research Department  
Ken Wilke, Office of Revisor of Statutes  
Bev Beam, Committee Secretary

## Conferees appearing before the committee:

Judi Stork, Deputy Bank Commissioner  
Sonya Allen, State Banking Commissioner's Office

## Others attending:

See attached list.

The Chair called the meeting to order.

The Chair asked Judi Stork for an overview of **(HB 2662) - An act relating to banks and trust companies, concerning the regulation thereof.** Ms. Stork said the Banking Commissioner's office is changing when a bank is required to submit their complete list of stockholders. Currently the report is due by January 31 of each year, she said. This report is usually submitted in conjunction with other reports that detail a bank's newly elected board of directors, as well as a report showing all officers elected for the year by the board. The latter reports are due after the bank has their annual meeting. She said the banking commissioner's office is asking that this statute be changed to coincide with the filing requirements for the other reports. She said they would like all reports to be submitted at one time, after the bank's annual meeting. She said they are also asking that the commissioner be given the authority to have banks submit requested reports using electronic means.

Ms. Stork said also that the banking commissioner is eliminating the mandatory filing of a fiduciary report by trust departments of state banks. Currently, each bank that has a trust department files an annual report of those fiduciary assets with the bank commissioner on an annual basis. She said implementing this change would reduce the regulatory burden on banks with trust departments by eliminating the need to complete two different fiduciary reports. The changes in this section give the commissioner the ability to request such a report if he deems it appropriate to do so.

Ms. Stork said in Section 3, the statute allows the banking department to base its annual trust assessments for trust departments on the information obtained from the FDIC's call report. As this information is downloaded directly into the department's assessment calculation, it would eliminate the need to input this information manually and would allow the agency to quickly and easily calculate trust department annual assessments.

She said Section 5 eliminates the need for a mandatory annual filing of receipts and disbursements by banks and trust companies and Section 6 requires the banking department to notify all banks and trust companies, in writing, if there is a request for information. (Attachment 1)

The Chair closed the hearing on **(HB 2662)**.

Senator Steineger moved to substitute the word "after" instead of "of" on Page 1, Line 21 of (HB 2662). Senator Barnett seconded. Motion passed.

**Final Action**

Senator Steineger moved to pass (HB 2662) out favorably as amended. Senator Wysong seconded. Motion passed.

CONTINUATION SHEET

MINUTES OF THE Senate Financial Institutions and Insurance Committee at 9:30 A.M. on March 16, 2006 in Room 234-N of the Capitol.

**Hearing on**

The Chair opened the hearing on **(HB 2806) - An act amending the uniform consumer credit code; relating to mortgages.** Sonya Allen, State Banking Commissioner's Office, said **(HB 2806)** would amend a mortgage provision of the Kansas Uniform Consumer Credit Code, KSA 2005 by making a technical correction, replacing the word "recession" with "rescission."

**Final Action**

Senator Wysong moved the bill be passed out favorably and put on the consent calendar. Senator Steineger seconded. Motion passed.

The Chair called for final action on **(HB 2735) - An act relating to real estate loans; concerning the appraised value.** Senator Barnett moved to pass the bill out favorably. Senator Steineger seconded. Motion passed.

The meeting adjourned at 10:00 a.m. The next meeting of this Committee is scheduled for March 21, 2006.