



March 16, 2016

To: House Committee on Judiciary

From: Kathleen A. Taylor, Kansas Bankers Association

Re: HB 2713: Amending the Kansas Corporation Code

Mr. Chairman and Members of the Committee:

Thank you for the opportunity today to provide written testimony in support of HB 2713, which makes many amendments to the Kansas Corporation Code (the Code). Of interest to the banking industry are amendments to K.S.A. 17-7918 and K.S.A. 17-7919, found on pages 157-158.

The Kansas Bankers Association (KBA) is a nonprofit trade organization, having 99% (258 of 260) of the commercially chartered banks headquartered in Kansas as members. In addition, our membership includes 6 savings and loan associations.

It came to our attention late last year, that when the Code was amended during the 2014 legislative session, a long-standing exemption for the banking industry was inadvertently omitted in K.S.A. 17-7918. This section exempts banks from having to choose a name that is distinguishable from other corporate entities on the record in the Kansas Secretary of State's office. Banking is unique from other corporate entities in that we historically have been very conventional in choosing a bank name. Hence, why we have several "Citizens State" and "Farmers State" banks.

While the trend is to choose more unique names for newly-chartered institutions, the KBA asked the drafters of this bill to maintain the exemption for the industry for those newly chartered institutions which may want to choose a conventional bank name. The KBA also requested that the drafters include "savings and loan association and savings bank", to clarify that this exemption applies to those new state charters as well.

Thank you for your time and attention to this matter. The KBA would respectfully request that when the Committee consider HB 2713, it consider it favorably for passage.