

Approved: January 31, 2012

(Date)

MINUTES OF THE HOUSE FINANCIAL INSTITUTIONS COMMITTEE

The meeting was called to order by Chairperson Forrest Knox at 3:31 p.m. on Thursday, January 19, 2012, in Room 152-S of the Capitol.

All members were present except the following, all of whom were excused:

Richard Proehl
Bob Montgomery
Susan Mosier
Charlotte O'Hara
Clark Shultz

Committee staff present:

Melissa Calderwood, Kansas Legislative Research Department
Cindy Lash, Kansas Legislative Research Department
Matt Sterling, Office of the Revisor of Statutes
Sean Ostrow, Office of the Revisor of Statutes
Gary Deeter, Committee Secretary

Conferees appearing before the Committee:

Judi Stork, Deputy Commissioner, Office of the State Banking Commission
Doug Wareham, Senior Vice President, Government Relations, Kansas Bankers Association

Others in attendance:

See attached list.

The Chair welcomed Judi Stork, Deputy Commissioner, Office of the State Banking Commission (OSBC), who requested the Committee introduce a bill amending the state statutes in order to eliminate the requirement for the OSBC to approve an application of a bank holding company when it acquires a national bank with a home office in Kansas. She explained that the OSBC has no regulatory oversight or jurisdiction over the holding company or over the national bank beyond the application process, and recently the OSBC's request for information from the Office of the Comptroller of the Currency was denied, making any accurate evaluation of an application difficult. She stated that amending the statute to eliminate the responsibility of the agency to act on these applications will reduce the regulatory burden and simplify the application process. Responding to questions, she replied that if the agency were to deny the application, the Federal Reserve can pre-empt the application and ignore the OSBC's action.

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.

CONTINUATION SHEET

Minutes of the HOUSE FINANCIAL INSTITUTIONS Committee at 3:31 p.m. on Thursday, January 19, 2012 in Room 152-S of the Capitol.

A motion was made, seconded, and passed unanimously to honor the request and introduce a bill. (Motion by Representative Scapa, and seconded by Representative Fawcett)

Representative Grant introduced Doug Wareham, Senior Vice President for Governmental Relations, Kansas Bankers Association, who requested the Committee introduce a bill to assure that state-chartered banks in Kansas can continue to engage in derivative transactions to the same extent as national-chartered banks. He noted that such a bill was necessary to meet one provision of the Dodd/Frank Wall Street Reform and Consumer Protection Act.

A motion was made by Representative Grant and seconded by Representative Scapa to introduce such a bill. The motion passed unanimously.

The meeting was adjourned at 3:37 p.m. No further meeting was scheduled.

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