

SESSION OF 2005

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2097

As Amended by House Committee on
Financial Institutions

Brief*

HB 2097 concerns the exchange of certain examinations and reports in relation to banks and trust companies. Currently, the State Bank Commissioner is required to accept or provide reports of state banks and trust companies from the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Bank, or certified accountants or independent auditors who are insured by a private insurer. This bill would remove the requirement for the certified accountants and independent auditors. HB 2097 also provides for additions to the disclosure requirements for the State Bank Commissioner. Under current law, the Commissioner may disclose information regarding the condition of any bank or trust company to the Federal Reserve, Office of the Comptroller of Currency, the Federal Home Loan Bank, other state bank regulatory agencies, and savings and loan regulatory agencies. This bill allows for disclosure to additional entities, trust company regulatory agencies, the Office of Thrift Supervision, and the Financial Crimes Enforcement Network (FinCEN).

The House Committee amendment makes a technical change in section 1(a).

Background

HB 2097 was requested by the Office of the State Bank Commissioner for the purpose of adding additional entities who can receive confidential bank information. An agency official noted that through a Memorandum of Understanding, the agency is able to receive confidential information from FinCEN and would like to reciprocate. The

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

representative also noted the reporting requirement for private insurers was removed as no Kansas banks are privately insured, but instead are insured by the FDIC.

The fiscal note prepared by the Division of the Budget indicates that passage of the bill would have no fiscal effect.