

January 22, 2018

The Honorable Jeff Longbine, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 341-E
Topeka, Kansas 66612

Dear Senator Longbine:

SUBJECT: Fiscal Note for SB 283 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 283 is respectfully submitted to your committee.

SB 283 would amend the State Banking Code to require that a person notify the State Bank Commissioner if they engage in any activity that may result in acquiring control of any bank or bank holding company. The notification would be required at least 30 days prior to acquiring control. The bill would require the board of directors of any privately held bank, bank holding company, or trust company to notify the State Bank Commissioner of any change of control of the bank, bank holding company, or trust company at least 30 days prior to the date the change of control becomes effective. The bill would allow the State Bank Commissioner to waive the current 60-day application requirement if the acquired bank or trust company is under a formal corrective action. The bill would replace references to “common trust funds” with “collective investment funds.”

The bill would change the qualifications to serve as the Deputy Bank Commissioner of the Banking Division. The Deputy Bank Commissioner would be required to have at least five years of experience as state bank officer, five years of experience as an officer of a state bank holding company or wholly-owned subsidiary conducting business that is related to banking, or a combination of the two experiences that adds up to a total of at least five years.

The Office of the State Bank Commissioner indicates that the costs associated with implementing the requirements of SB 283 would be negligible and could be absorbed within its existing budget.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Miki Bowman, Banking