MINUTES OF THE SENATE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE.

The meeting was called to order by Chairperson Sandy Praeger at 9:30 a.m. on March 6, 2001 in Room 234-N of the Capitol.

All members were present except:

Committee staff present: Dr. Bill Wolff, Kansas Legislative Research Department
Ken Wilke, Office of the Revisor of Statutes
JoAnn Bunten, Committee Secretary

Conferees appearing before the committee:

Sonya Allen, General Counsel, Office of the State Bank Commissioner
Kathleen Olsen, Kansas Bankers Association

Others attending: See attached list.

Hearing on HB 2146 - Providing products and services a national bank may provide

Sonya Allen, General Counsel, Office of the State Bank Commissioner, testified before the Committee in support of **HB 2146** which would authorize state banks to form "financial subsidiaries" and engage in the broad array of activities that are authorized for financial subsidiaries by the Gramm-Leach-Bliley Act as outlined in her written testimony. (Attachment 1)

There were no opponents to the bill.

Hearing on HB 2147 - Unlawful transactions; holding property

Kathleen Olsen, Kansas Bankers Association, testified before the Committee in support of **HB 2147** which would amend K.S.A. 9-112 to lengthen the period of time from six months to one year in which a bank has to sell repossessed personal property such as manufactured homes. She noted that manufactured homes are bought and sold as personal residences, and it is virtually impossible for a person to prepare a home for sale, put it on the market and have the sale closed in six months. (Attachment 2)

There were no opponents to the bill.

Hearing on HB 2148 - Certification of trusts

Kathleen Olsen, Kansas Bankers Association, testified before the Committee in support of **HB 2148** which would allow a trustee voluntarily, or upon the request of the person with whom he or she is dealing, to sign a "Certification of Trust" in lieu of a copy of the trust instrument, to establish the existence and verify the terms of a trust. Ms. Olsen noted that the bill would accomplish two very important things: (1) it would provide an alternative to trustees who do not wish to copy the full trust; and (2) its use would provide protection to third parties dealing with a trustee. (Attachment 3)

There were no opponents to the bill.

Hearing on HB 2149 - Bank Commissioner, sharing certain information

Sonya Allen, General Counsel, Office of the State Bank Commissioner, expressed her support for **HB 2149** which would allow the bank commissioner to share information, when appropriate, with other functional regulators and to likewise receive information as noted in her written testimony. (Attachment 4)

There were no opponents to the bill.

Discussion and action on HB 2146, HB 2147, HB 2148, and HB 2149

During Committee discussion staff noted that the statute in **HB 2146** is also being amended in **HB 2482**, and the Committee may want to make both amendments to that statute in **HB 2482** when the bill is worked so that the legislature would not have to reconcile separate amendments at a later date.

Staff also brought the Committee's attention to a need for a technical amendment in **HB 2149,** by adding a comma after the word "agreement" on page 2, line 13.

Senator Teichman made a motion that the Committee amend **HB 2149** by adding a comma after the word "agreement" on page 2, line 13, seconded by Senator Salmans. The motion carried.

Senator Teichman made a motion that the Committee recommend **HB 2147, HB 2148 and HB 2149 as amended** favorable for passage, seconded by Senator Allen. The motion carried.

Senator Corbin voted "No" on **HB 2147.**

Approval of Minutes

Senator Salmans made a motion to approve the Committee minutes of February 27, 28 and March 1, seconded by Senator Brungardt. The motion carried.

Adjournment

The meeting was adjourned at 10:30 a.m. The next meeting of the Committee is scheduled for March 7, 2001.