

KANSAS OFFICE *of*  
**REVISOR *of* STATUTES**

LEGISLATURE *of* THE STATE *of* KANSAS  
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300 SW TENTH AVENUE ■ SUITE 24-E ■ TOPEKA, KS 66612 ■ (785) 296-2321

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**MEMORANDUM**

To: House Committee on Financial Institutions and Pensions  
From: Office of Revisor of Statutes  
Date: February 5, 2024  
Subject: **HB 2560 - Providing when applications under the state banking code are considered abandoned or expired and allowing an originating trustee to have such trustee's principal place of business outside of Kansas.**

House Bill No. 2560 amends provisions of the state banking code concerning when applications are considered abandoned or expired and allows an originating trustee to have a principal place of business outside the state of Kansas.

Section 1 amends K.S.A. 9-535 to remove from statute the requirement that the commissioner deny an application that is incomplete.

Section 2 amends K.S.A. 9-806 to provide that if an applicant fails to complete any application under the state banking code within 60 days after being notified that the application is incomplete, such application shall be considered abandoned and the application fee shall not be refunded. An applicant whose application is abandoned may reapply at any time.

This section also adds language to require a bank or trust company to engage in the approved activity within 18 months from the date of approval of the application. If a bank or trust company fails to comply with this deadline, the application shall be deemed expired and a new application, application fee and approval is required. These provisions do not apply to applications to conduct trust business under K.S.A. 9-1601.

The commissioner may extend such deadline indefinitely if approval from another state or federal regulator is necessary to engage in the activity or up to 180 days for good cause. The state banking board may designate the commissioner to determine the completeness of any application requiring state banking board approval or deem such applications expired.

Section 3 amends K.S.A. 9-1721 concerning change of control or merger of a bank or trust company by providing that if the commissioner does not act on the complete application to

change control or merge with within the 60-day period prior to the proposed change of control or merger transaction and the applicant has received approval from all other applicable federal and state agencies, the application shall stand approved.

Section 4 amends K.S.A. 9-2107 concerning trust companies to remove from the definition of originating trustee that its principal place of business is in this state and adds language that either the contracting trustee or the originating trustee shall have its principal place of business in this state.

HB 2560 takes effect on July 1, 2024.