

2012 Kansas Statutes

9-1804. Place of business; change of; application, investigation and approval; expenses of examination and investigation; payment; use and disposition of moneys received. (a) No bank or trust company incorporated under the laws of this state shall change its place of business, from one city or town to another or from one location to another within the same city or town, without prior approval. Any such bank or trust company desiring to change its place of business shall file written application with the office of the state bank commissioner in such form and containing such information as the board and the commissioner shall require. Notice of the proposed relocation shall be published in a newspaper of general circulation in the county where the main bank or trust company is currently located and in the county to which the bank or trust company proposes to relocate. The notice shall be in the form prescribed by the commissioner and at a minimum shall contain the name and address of the applicant bank or trust company, the address of the proposed new location and a solicitation for written comments. The notice shall be published on the same day for two consecutive weeks and provide for a comment period of not less than 10 calendar days after the date of the second publication. The applicant shall provide proof of publication to the commissioner.

(b) If the applicant is an eligible bank or an eligible trust company, the commissioner shall examine and investigate the application. If the commissioner determines:

(1) There is a reasonable probability of usefulness and success of the bank or trust company in the proposed location; and

(2) the applicant bank's or trust company's financial history and condition is sound, the application shall be approved, otherwise, it shall be denied.

(c) Within 15 days after any final action of the commissioner approving or disapproving an application, the applicant, or any adversely affected or aggrieved person who provided written comments during the specified comment period, may request a hearing with the state banking board. Upon receipt of a timely request, the board shall conduct a hearing in accordance with the provisions of the Kansas administrative procedure act. Any decision of the state banking board is subject to review in accordance with the Kansas judicial review act.

(d) If a bank does not meet the definition of an eligible bank or a trust company does not meet the definition of an eligible trust company, the state banking board shall examine and investigate the application. If the board determines:

(1) There is a reasonable probability of usefulness and success of the bank or trust company in the proposed location; and

(2) the applicant bank's or trust company's financial history and condition is sound, the application shall be approved, otherwise, it shall be denied.

(e) Any final action of the board approving or disapproving an application shall be subject to review in accordance with the Kansas judicial review act upon the petition of the applicant, or any adversely affected or aggrieved person who provided written comments during the specified comment period.

(f) The expenses of such examination and investigation shall be paid by the bank or trust company which shall deposit with the commissioner a fee in an amount established by rules and regulations adopted by the commissioner. The commissioner shall remit all amounts received under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of a separate special account in the state treasury for each application. The moneys in each such account shall be used only to pay the expenses of the examination and investigation to which it relates, and any unused portion of such deposit shall be transferred to the bank commissioner fee fund.

(g) For purposes of this section:

(1) "Eligible bank" means a state bank that meets the following criteria:

(A) Received a composite rating of 1 or 2 under the uniform financial institutions rating system as a result of its most recent federal or state examination;

(B) meets the following three criteria for a well capitalized bank:

(i) Has a total risk based capital ratio of 10% or greater;

(ii) has a tier one risk based capital ratio of 6% or greater; and

(iii) has a leverage ratio of 5% or greater; and

(C) is not subject to a cease and desist order, consent order, prompt corrective action directive, written agreement, memorandum of understanding or other administrative agreement with its primary federal regulator or the office of the state bank commissioner; and

(2) "eligible trust company" means a state chartered trust company that meets the following criteria:

(A) Received a composite rating of 1 or 2 under the uniform interagency trust rating system as a result of its most recent state examination; and

(B) is not subject to a cease and desist order, consent order, written agreement, memorandum of understanding or other administrative agreement with the office of the state bank commissioner.

History: L. 1947, ch. 102, § 106; L. 1973, ch. 52, § 1; L. 1975, ch. 44, § 39; L. 1989, ch. 48, § 48; L. 1992, ch. 62, § 7; L. 2001, ch. 87, § 14; L. 2001, ch. 167, § 2; L. 2010, ch. 17, § 29; July 1.