

Date: March 8, 2017

To: House Financial Institutions & Pensions Committee

Rep. Jim Kelly, Chair

From: Kathy Taylor, SVP-General Counsel

Re: <u>Proponent – Senate Bill 66</u>

Mr. Chairman and members of the committee, I am Kathy Taylor appearing on behalf of the Kansas Bankers Association (KBA). KBA's membership includes 99% (250 of 252) of the commercially chartered banks headquartered in Kansas. Our membership also includes 19 out-of-state commercial banks and 6 savings and loans operating in Kansas. Our member banks employ more than 13,000 Kansans that provide financial services in more than 400 towns and cities across the state. We appreciate the opportunity to appear in support of Senate Bill 66.

The State Banking Board is a nine-member board that acts in an advisory capacity to the Office of the State Bank Commissioner. Six members of the Board are bankers with a minimum of five years of banking experience in a state bank in Kansas. The remaining three members of the Board are appointed to represent the general public in the regulation, operation and control of state banks and trust companies in Kansas. The Governor is responsible for appointing Board members subject to confirmation by the Kansas Senate and no more than five members of the Board are allowed from the same political party.

Senate Bill 66 amends K.S.A. 74-3004, which includes provisions relating to appointment qualifications and terms of service for appointees to the State Banking Board. This legislation will simply allow an appointee to serve two full three year terms, in addition to an appointee serving out the remainder of a term of a board member that resigned their post mid-term. We support allowing appointees the opportunity to serve two full terms, in addition to any portion of an unexpired term they might be tasked with completing and we believe this change will improve the appointment process.

Thank you for the opportunity to appear in support of Senate Bill 66. I would be happy to stand for questions.