



**Testimony to the Senate Committee on
Financial Institutions and Insurance
HB 2105 as Further Amended by House Committee
February 8, 2024**

The Office of the State Bank Commissioner (OSBC) appreciates the opportunity to provide written testimony regarding House Bill 2105 as Further Amended by House Committee. We have several concerns with House Bill 2105 as Further Amended by the House Committee. If left unamended, the OSBC is opposed to this bill.

We are aware that this bill will be amended again in this hearing, which would change our position to neutral. We are under the understanding that the following changes we requested will be in the amendment, and these changes are essential to our neutral position on this bill:

Sec 2.

- The definition of “Commissioner” is expanded to include the Deputy Bank Commissioner of Consumer and Mortgage Lending to allow enforcement to be implemented by our Consumer and Mortgage Lending, which oversees all non-depository institutions under our regulation.
- Adds a definition for “Member,” which is necessary to receive FBI background checks. We need to a definition for each person we collect background checks.
- Adds a definition to “Nationwide Multistate Licensing System and Registry.”
- Modifies the definition of “person” to include individual. This is necessary due to some sections referring to persons that would include an individual.
- Adds a definition for “principal,” which is necessary to receive FBI background checks.

Sec. 3.

- Removes the requirements that application and renewal fees must be set by rules and regulation as this is inconsistent with other sections that state fees can be set based on budgetary needs.

Sec. 6.

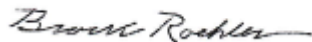
- Updated to clearly state no interest or finance charge may be charged.
- Updated to state expedited fees must be reasonable. The OSBC does not have any plans to reduce the expedited fees currently charged by the industry, but we believe there needs to be a mechanism in place to ensure the fee is fair to both the industry and consumers.

Sec. 11.

- Allows the Commissioner to disclose confidential information to an attorney general or district attorney for criminal enforcement.
- Updates subsection (a)(11) with new information requested by the KBI that must be in any statute that permits FBI background checks, including the full name of the agency.
- Updates (a)(14) to require usage of the nationwide multistate licensing system and registry for licensing applications and changes.

For consistency, multiple sections in this act have been amended that discuss ownership to apply to owners, members, partners, or principals.

Thank you again for the opportunity to present written testimony on House Bill 2105 as Further Amended by the House Committee.



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