

MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

The meeting was called to order by Chairman Ruth Teichman at 9:30 A.M. on March 11, 2008 in Room 136-N of the Capitol.

All members were present.

Committee staff present:

Melissa Calderwood, Kansas Legislative Research Department
Ken Wilke, Office of Revisor of Statutes
Bev Beam, Committee Secretary
Jill Shelley, Kansas Legislative Research Department

Conferees appearing before the committee:

Doug Wareham, KBA
Marla Marsha, Kansas Assn. Of Credit Unions

Others attending:

See attached list.

The Chair called the meeting to order. She announced that Senator Wysong would Chair the F I & I Committee meeting on March 12 and would conduct the hearings on **HB 2675 - concerning licensing of insurance agents; pertaining to certain state's license revocation for nonpayment of income tax and HB 2686 - concerning insurance; requiring market conduct studies for certain insurance companies.**

Senator Wysong moved the minutes of February 20, 21 and 26 be approved. Senator Wilson seconded. The minutes were approved.

The Chair called on Doug Wareham, Kansas Bankers Association, to make a statement regarding **SB 535 - an act concerning credit unions; pertaining to field of membership; pertaining to mergers; pertaining to branches.**

Mr. Wareham announced that he was pleased to announce that the Kansas Bankers Association, in conjunction with Shari Weber, Community Bankers Association and Matt Goddard, Heartland Bankers Association, have reached an agreement with the Kansas Credit Union Association on the subjects contained in **SB 535**. Mr. Wareham said the framework for language has been mutually agreed upon. He said it is their hope that action can be delayed on this bill at this time so that work can begin immediately with Revisor's staff to put this mutually agreed upon framework in the form of legislative language for this committee to view. He stated that a number of hours have been spent during the last week working on this bill and he reiterated his thanks to the senators who worked on this bill in subcommittee, Senators Brownlee, Barone and Wilson, because their work did point us in a direction, he said. He said he promised Marla Marsh that he would state on behalf of the Kansas Bankers' Association, that he believes what they have come up with is not just a short term fix. We think this is a solution that will work for the foreseeable future. He said Boards can't be held to anything, because they change over time, but he views this as a solution for this issue. He also mentioned that both sides have agreed to mutually oppose any amendments that would be offered. He said he hoped this committee, as well as the legislature, will recognize the hard work and the delicate nature of this compromise. He said we will be together opposing any amendments and we hope that will be respected and moved forward as it is.

The Chair then called on Marla Marsh, on behalf of the Kansas Association of Credit Unions. Ms. Marsh stated that although we have sat down and worked on a compromise that we agree upon for language for an amendment, we do need to say, philosophically, we believe we have done nothing that required a change, but we did sit down and compromise. She noted, with that said, after hours and days of collaboration, we did work very hard and it was a good working relationship between the banking associations and credit union associations. She said they have come up with a collaborative effort and the credit union associations do support the compromise language that will be in the amendment. She said the credit unions stand neutral on **SB 535**.

The Chair introduced the Chair of the House Financial Institutions and Insurance Committee, Rep. Clark Shultz. The Chair said she would respect the work that has been done and let the associations work with the

CONTINUATION SHEET

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Revisor to get the balloon to the committee so they can look it over at that time.

The meeting adjourned at 10:00 a.m.