



CBA

Community Bankers  
Association of Kansas

*Directed By The Members We Serve*

To: Senate Financial Institutions and Insurance Committee

From: Shawn Mitchell, President and CEO  
Community Bankers Association of Kansas

Date: February 8, 2012

RE: Written statement of neutrality on Senate Bill 64 – as amended

Chairwoman Teichman and Members of the Committee:

I am Shawn Mitchell, President and CEO of the Community Bankers Association of Kansas (CBA). CBA represents community banks from every corner of Kansas with the vast majority of them being state chartered financial institutions. I appreciate the opportunity to provide written comment on Senate 64 which has been presented by the Office of the State Bank Commissioner (OSBC).

When Senate Bill 64 was introduced during the 2011 legislative session, the CBA was opposed to the bill. We believe the proposal to grant the Office of the State Bank Commissioner authority to fingerprint and run criminal background checks (at the banker's expense) on new key individuals went too far. The proposal, limited to new out of state individuals, could set a troubling precedent for current Kansas bankers who serve their communities in an otherwise legal business that brings countless benefits to their communities.

The CBA expressed those concerns during the 2011 legislative session and to the interim Joint Committee on Financial Institutions and Insurance. We were supportive of the interim committee's opposition to Senate Bill 64.

The Office of the State Bank Commissioner's proposal to amend Senate Bill 64, limiting its application to money transmitters and holding companies, modifies the bill to eliminate bankers. The proposed amendment, if adopted, would allow the CBA to become neutral on the bill. Our membership, however, remains apprehensive about where fingerprinting and criminal background authority might be expanded in the future.

Thank you for your consideration.

Senate Financial Institutions and  
Insurance Committee  
Date 2-8-12  
Attachment # 5