

HCS SB 421 -- DIRECTOR OF THE DIVISION OF FINANCE

SPONSOR: Pearce (Cunningham)

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Financial Institutions by a vote of 10 to 0.

Currently, the circuit court in the judicial district in which the principal office of a failed bank is located must approve the appointment made by the Director of the Division of Finance within the Department of Insurance, Financial Institutions and Professional Registration of the Federal Deposit Insurance Corporation (FDIC) as the liquidating agent of a bank insured by the FDIC. This substitute removes the provision requiring the appointment's approval by the circuit court.

The substitute contains an emergency clause.

FISCAL NOTE: No impact on state funds in FY 2010, FY 2011, and FY 2012.

PROPONENTS: Supporters say that the bill will allow the Director of the Division of Finance to appoint the Federal Deposit Insurance Corporation as the liquidator on a failed bank more efficiently.

Testifying for the bill were Senator Pearce; and Missouri Bankers Association.

OPPONENTS: There was no opposition voiced to the committee.