

HB 928 -- FINANCIAL INSTITUTIONS

SPONSOR: Thompson

This bill modifies numerous provisions relating to financial institutions.

ELECTRONIC POSTINGS (Section 316.110)

Current law requires the Director of the Division of Finance, within the Department of Commerce and Insurance, to keep a bulletin board in his or her office containing various statements of information concerning corporations and persons doing business in the state. This bill repeals that requirement and requires such statements to be posted on the Division of Finance website instead, to be updated each Monday. All such statements will be public documents and at all reasonable times will be retained by the Division, open to public inspection, and available on the division website.

BANKING REGULATIONS (Sections 362.044 to 362.570)

Current law requires notice of annual or special stockholders' meetings to be published in written form. This bill repeals such requirement and instead permits electronic notification of such meetings.

Unless otherwise prohibited by statute or regulation, directors may attend board meetings by telephonic conference call or video conferencing, and the bank or trust company may include in a quorum directors who are not physically present but are allowed to vote, provided the bank or trust company has a composite rating of 1 or 2 under the Uniform Financial Institutions Rating System of the Federal Financial Institution Examination Counsel (FFIEC).

Any director remotely attending a board meeting via telephone or video conferencing may be counted toward a quorum for such meeting and, provided the director is not otherwise prohibited, may vote on the matters before the bank or trust company's board, so long as the meeting minutes identify the director appearing remotely and the director makes certain acknowledgments.

The Director of the Division of Finance may promulgate additional regulations, reasonable in scope, to provide for the integrity of the board of directors' operations when directors attend board meetings remotely, the safety and soundness of the bank or trust company's operation, and the bank or trust company's interest in minimizing the cost of compliance with such regulation.

Current law requires the oath taken by every elected director of a bank or trust company to be immediately transmitted to the Director of Finance to be filed and preserved in that office. This bill repeals that requirement and requires the oath to be retained and preserved by the bank or trust company.

The bill requires the directors of a bank or trust company to document the amount or penal sum of employee bonds or insurance policies and file such information with the Division of Finance. The company must retain and preserve such information. Further, the Director of the Division of Finance must publish a yearly tiered schedule of the minimum levels of policy coverages.

SAVINGS AND LOAN ASSOCIATION REGULATIONS (Section 369.049)

Current law requires the name of every savings and loan association to include either the words "Savings Association" or "Savings and Loan Association." This bill removes such requirement and instead permits it. The bill further repeals the prohibition on using the following words in an association name: "National", "Federal", "United States", "Insured", "Guaranteed", "Government", and "Official."

LENDERS OF CONSUMER CREDIT LOANS (Section 367.150)

The bill repeals a law requiring lenders of consumer credit loans to file a report with the Director of the Division of Finance detailing, among other things, the financial condition of the lender and the total aggregate number and principal amount of loans made by the lender.