

2011 SENATE INDUSTRY, BUSINESS AND LABOR

SB 2104

2011 SENATE STANDING COMMITTEE MINUTES

Senate Industry, Business and Labor Committee
Roosevelt Park Room, State Capitol

SB 2104
January 11, 2011
12744

Conference Committee

Committee Clerk Signature

Eva Lubelt

Relating to a yearly assessment of banks and interstate branches and provide an effective date and to declare an emergency.

Minutes:

ATTACHED TESTIMONY

SENATOR JERRY KLEIN: Opened hearing on SB 2104.

CARLEE MCLEOD: DEPUTY STATE TREASURER , OFFICE OF STATE TREASURER.
(See attached testimony #1). Supports SB 2104.

SENATOR KLEIN: Understanding of the bill is that the assessments will no longer be paid to State Treasurer but to Dept. of Financial Institutions.

JOAN BECKER: DIRECTOR OF ADMINISTRATION FOR THE DEPT. OF FINANCIAL INSTITUTIONS. Representing Robert Entringer, Commissioner and we are in support of SB 2104.

No one is in opposition of SB 2104.

SENATOR KLEIN: Closed bill on SB 2104.

SENATOR ANDRIST: Motion of DO PASS.

SENATOR MURPHY: Seconded motion.

Roll call vote 7-0-0.

Carrier is **SENATOR ANDRIST.**

Date: 1/11/2011
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2184

Senate Industry, Business and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment

Rerefer to Appropriations Reconsider

Motion Made By Senator Andrist Seconded By Senator Murphy

Senators	Yes	No	Senators	Yes	No
Chairman Jerry Klein	✓		Senator Mac Schneider	✓	
VC George L. Nodland	✓		Senator Murphy	✓	
Senator John Andrist	✓				
Senator Lonnie J. Laffen	✓				
Senator Oley Larsen	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Andrist

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2104: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2104 was placed on the Eleventh order on the calendar.

2011 HOUSE INDUSTRY, BUSINESS AND LABOR

SB 2104

2011 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee
Peace Garden Room, State Capitol

SB 2104
March 2, 2011
14860

Conference Committee

Committee Clerk Signature *Ellen Letang*

Explanation or reason for introduction of bill/resolution:

Yearly assessment of banks and interstate branched, provide an effective date and declare an emergency.

Minutes:

Chairman Keiser: Opens the hearing on SB 2104.

Carlee McLeod~Deputy Treasurer for the Office of State Treasurer: (See attached testimony).

Chairman Keiser: Further questions?

Bob Entringer~NADFI: We are fully supportive of this bill.

Chairman Keiser: Further questions?

Carlee McLeod: We have a typo, change the 44 to 11 on page 1, line 2.

Representative Ruby: Initially the fees went to the state treasurer, then the report was sent to DFI, but the money still stayed. Now the money will be sent to the DFI and then transferred to the treasurer?

Carlee McLeod: I do believe that is the case.

Representative Kreun: Record the deposit in their own institution, what does that mean?

Carlee McLeod: DFI would take in the money, they would do their coding to show how it's suppose to go into the state's People Soft Accounting system and then they would send it over to us.

Chairman Keiser: Anyone else here to to testify in support, in opposition, in neutral to SB 2104. Closes the hearing, what are the wishes of the committee?

Representative Ruby: Moves to amend.

Representative N Johnson: Second.

Chairman Keiser: Further discussion?

Voice vote, motion carries.

Chairman Keiser: The amended SB 2104 is before us, what are the wishes of the committee?

Representative Ruby: Moves for a Do Pass as Amended.

Representative Vigesaa: Second.

Chairman Keiser: Further discussion?

Roll call was taken for a Do Pass as Amended on SB 2104 with 12 yeas, 0 nays, 2 absent and Representative Kreun is the carrier.

March 2, 2011

VK
3/3/11

PROPOSED AMENDMENTS TO SENATE BILL NO. 2104

Page 1, line 1, after "6-01-17" insert "and subdivision a of subsection 1 of section 13-04.1-11"

Page 1, line 2, after "branches" insert "and investigation and examination authority of money brokers"

Page 2, after line 3, insert:

"SECTION 2. AMENDMENT. Subdivision a of subsection 1 of section 13-04.1-11 of the North Dakota Century Code is amended and reenacted as follows:

- a. May make such public or private investigation within or outside this state as it deems necessary to determine whether any person has violated or is about to violate any provision of this chapter or any rule or order hereunder, or to aid in the enforcement of this chapter or in the prescribing of rules and forms hereunder. The licensee shall pay an investigation fee and must be charged by the department of financial institutions at an hourly rate to be set by the commissioner, sufficient to cover all reasonable expenses of the department associated with the visitation provided for by this section. Fees must be paid to the state treasurer and deposited in the financial institutions regulatory fund."

Renumber accordingly

Date: March 2, 2011

Roll Call Vote # 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 2104

House House Industry, Business and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment

Motion Made By Rep Ruby Seconded By Rep Johnson

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser			Representative Amerman		
Vice Chairman Kasper			Representative Boe		
Representative Clark			Representative Gruchalla		
Representative Frantsvog			Representative M Nelson		
Representative N Johnson					
Representative Kreun					
Representative Nathe					
Representative Ruby					
Representative Sukut					
Representative Vigesaa					

Total Yes _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

goes to .11

Date: March 2, 2011

Roll Call Vote # 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 2104

House House Industry, Business and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment

Motion Made By Rep Ruby Seconded By Rep Vigesaa

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	✓		Representative Amerman	✓	
Vice Chairman Kasper	✓		Representative Boe	✓	
Representative Clark	✓		Representative Gruchalla	✓	
Representative Frantsvog	✓		Representative M Nelson	✓	
Representative N Johnson	✓				
Representative Kreun	✓				
Representative Nathe	✓				
Representative Ruby	✓				
Representative Sukut	✓				
Representative Vigesaa	✓				

Total Yes 12 No 0

Absent 2

Floor Assignment Rep Kreun

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2104: Industry, Business and Labor Committee (Rep. Keiser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2104 was placed on the Sixth order on the calendar.

Page 1, line 1, after "6-01-17" insert "and subdivision a of subsection 1 of section 13-04.1-11"

Page 1, line 2, after "branches" insert "and investigation and examination authority of money brokers"

Page 2, after line 3, insert:

"SECTION 2. AMENDMENT. Subdivision a of subsection 1 of section 13-04.1-11 of the North Dakota Century Code is amended and reenacted as follows:

- a. May make such public or private investigation within or outside this state as it deems necessary to determine whether any person has violated or is about to violate any provision of this chapter or any rule or order hereunder, or to aid in the enforcement of this chapter or in the prescribing of rules and forms hereunder. The licensee shall pay an investigation fee and must be charged by the department of financial institutions at an hourly rate to be set by the commissioner, sufficient to cover all reasonable expenses of the department associated with the visitation provided for by this section. Fees must be paid to the state treasurer and deposited in the financial institutions regulatory fund."

Re-number accordingly

2011 TESTIMONY

SB 2104



Kelly L. Schmidt
State Treasurer

STATE OF NORTH DAKOTA

OFFICE OF STATE TREASURER

STATE CAPITOL, 600 E. BOULEVARD AVE., DEPT 120, BISMARCK, NORTH DAKOTA 58505-0600

701-328-2643 FAX 701-328-3002

<http://www.treasurer.nd.gov>

**Senate Bill 2104
Testimony in Support
Committee: Senate Industry, Business and Labor
Date: January 1, 2011
Carlee McLeod
Deputy Treasurer**

Chairman Klein, members of the committee:

For the record, I am Carlee McLeod, Deputy Treasurer for the Office of State Treasurer. The Office of the State Treasurer supports SB 2104 relating to collection of bank assessment fees.

The purpose of this bill is to provide consistency in the collection of fees.

With very few exceptions, most language in code relating to the collection or payment of fees provides that funds are to be deposited with the Office of the State Treasurer. A few sections of code are inconsistent with this model.

This bill provides that bank examination fees assessed by the Department of Financial Institutions be collected by DFI in the same manner that their other fees are collected. This change will allow for consistency for the Treasurer's Office, DFI, and the financial institutions that are currently responsible for paying a variety of fees to different places because of the existing inconsistencies.

Additionally, DFI is the agency with the relationship with the institutions. This bill allows financial institutions to continue to deal directly with DFI on the collection of these fees, as they already do for a variety of other issues.

We have discussed this change with DFI, and we agree that this will provide a more efficient method to handle the fees.

There is no fiscal note attached to this bill.

We ask this committee for a DO PASS on this clarification.

Thank you.



Kelly L. Schmidt
State Treasurer

STATE OF NORTH DAKOTA

OFFICE OF STATE TREASURER

STATE CAPITOL, 600 E. BOULEVARD AVE., DEPT 120, BISMARCK, NORTH DAKOTA 58505-0600

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Senate Bill 2104
Testimony in Support
Committee: House Industry, Business and Labor
Date: March 2, 2011
Carlee McLeod
Deputy Treasurer

Chairman Keiser, members of the committee:

For the record, I am Carlee McLeod, Deputy Treasurer for the Office of State Treasurer. The Office of the State Treasurer supports SB 2104 relating to collection of bank assessment fees.

The purpose of this bill is to provide consistency in the collection of fees.

With very few exceptions, most language in code relating to the collection or payment of fees provides that funds are to be deposited with the Office of the State Treasurer. A few sections of code are inconsistent with this model.

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Additionally, DFI is the agency with the relationship with the institutions. This bill allows financial institutions to continue to deal directly with DFI on the collection of these fees, as they already do for a variety of other issues.

We have discussed this change with DFI, and we agree that this will provide a more efficient method to handle the fees.

We do offer the attached amendment to a similar section of code, and we ask your adoption of that amendment.

There is no fiscal note attached to this bill.

We ask this committee for a DO PASS on this clarification.

Thank you.

Proposed amendment to Senate Bill 2104

Page 1, line 2, after the first semi-colon, insert "to amend and reenact subsection 1 of section 13-04.1-4~~4~~, relating to investigation and examination authority of money brokers;

||

Page 2, after line 3, insert the following:

SECTION 2. AMENDMENT. Section 13-4.1-11 of the North Dakota Century Code is amended and reenacted as follows:

13-04.1-11. Investigations and subpoenas.

1. The department of financial institutions in its discretion:

- a. May make such public or private investigation within or outside this state as it deems necessary to determine whether any person has violated or is about to violate any provision of this chapter or any rule or order hereunder, or to aid in the enforcement of this chapter or in the prescribing of rules and forms hereunder. The licensee shall pay an investigation fee and must be charged by the department of financial institutions at an hourly rate to be set by the commissioner, sufficient to cover all reasonable expenses of the department associated with the visitation provided for by this section. Fees must be ~~paid to the state treasurer and~~ deposited in the financial institutions regulatory fund.
- b. May require or permit any person to file a statement in writing, under oath or otherwise as the department determines, as to all the facts and circumstance concerning the matter to be investigated.
- c. May publish information concerning any violation of this chapter or any rule or order hereunder.