

286.1-013 Financial Institutions Board -- Duties.

- (1) There is created a Financial Institutions Board whose duties shall be to advise the commissioner and the Governor as provided in this section. The board shall consist of:
 - (a) Twelve (12) voting members appointed by the Governor, who shall serve terms of four (4) years; and
 - (b) The commissioner as a nonvoting ex officio member, who shall serve as chair of the board.
- (2) The voting board member appointments made by the Governor shall consist of:
 - (a) Three (3) members selected from the banking industry regulated by the department with appropriate recognition as to bank size and geographic diversity;
 - (b) Three (3) members selected from the securities industry regulated by the department;
 - (c) One (1) member selected from the credit union industry regulated by the department;
 - (d) One (1) member selected from the consumer finance industry regulated by the department;
 - (e) One (1) member selected from an industry regulated by the department that is not represented in another capacity on the board; and
 - (f) Three (3) members selected from the public at large who are residents of Kentucky and knowledgeable concerning financial institutions, the legislative process, and consumer interests, two (2) of whom are not employees, officers, or directors of any financial institution.
- (3) All members of the board from an industry regulated by the department shall be persons:
 - (a) With practical experience in the industry so represented; and
 - (b) Currently serving at the executive level of that industry at the time of their appointment.
- (4)
 - (a) Vacancies in the membership of the board shall be filled in the same manner as original appointments.
 - (b) Appointments to fill vacancies occurring before the expiration of a term shall be for the remainder of the unexpired term.
- (5) No member of the board, other than the commissioner, shall serve more than two (2) consecutive terms on the board.
- (6)
 - (a) The board shall meet at the call of the Governor or chair, at a time and place determined by the Governor or chair.
 - (b) The board may elect other officers for the conduct of its business.
 - (c) A majority of voting board members shall constitute a quorum.
 - (d) If a quorum is present, a decision of the board shall require the majority vote of those present.
 - (e) Each voting board member shall have one (1) vote, and voting by proxy is

prohibited.

- (7) Voting board members shall:
 - (a) Receive one hundred dollars (\$100) per diem for each board meeting they attend; and
 - (b) Be reimbursed for other reasonable and necessary expenses incurred while engaged in carrying out the duties of the board.
- (8) The board shall:
 - (a) Prepare and submit, at the Governor's request, the following recommendations:
 - 1. A list of candidates qualified to serve as commissioner;
 - 2. A proposed salary for each nomination for commissioner; and
 - 3. A proposed salary structure for other department staff in order to provide competitive salaries for recruitment and retention of staff;
 - (b) Receive and comment on various reports relating to the department and its activities as submitted to the board by the commissioner or the Governor; and
 - (c) Review, consider, and make recommendations to the commissioner on any matters referred to the board by the commissioner or the Governor.
- (9) In no event shall the board or its members interfere with the statutory duties of the commissioner, whose decisions shall be governed by law.

Effective: July 15, 2024

History: Amended 2024 Ky. Acts ch. 152, sec. 2, effective July 15, 2024. -- Amended 2010 Ky. Acts ch. 24, sec. 609, effective July 15, 2010. -- Amended 2006 Ky. Acts ch. 183, sec. 3, effective July 12, 2006. -- Amended 1998 Ky. Acts ch. 196, sec. 2, effective July 15, 1998. -- Amended 1986 Ky. Acts ch. 59, sec. 1, effective July 15, 1986. -- Created 1984 Ky. Acts ch. 324, sec. 40, effective July 13, 1984.

Formerly codified as KRS 287.013.

Legislative Research Commission Note (7/12/2006). This section was amended in 2006 Ky. Acts ch. 183. In that same session, 2006 Ky. Acts ch. 247, sec. 38 required that all sections of KRS Chapters 287, 288, 290, 291, 294, 366, 366A, and 368 be renumbered as sections of a single KRS chapter entitled the "Kentucky Financial Services Code." Therefore, the Statute Reviser, acting under KRS 7.136(1), has changed the number of this section and codified it as a new section of KRS Chapter 286.