

Chairman

THE HONORABLE CURTIS. M. LOFTIS, JR.
State Treasurer

Chairman Pro Tempore

HOWARD H. WRIGHT, JR.



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K. WAYNE WICKER | *Myrtle Beach*
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THOMAS BOUCHETTE / *Florence*
CAROL ADDY / *Georgetown*

SOUTH CAROLINA
STATE BOARD OF FINANCIAL INSTITUTIONS

MINUTES

Wednesday, August 7, 2024

10:00 AM

**Governor's Conference Room
and via WebEx Virtual Conference Room (Phone Call-In)**

Upon proper call and due notice to all its members and after having given required public notice, the State Board of Financial Institutions met on the 7th day of August 2024 with Chairman Loftis presiding.

Other members present: Ms. Michaels, Ms. Addy and Messrs. Wright, Pennington, Strickland, Byrd, and Bouchette.

The Chairman stated that a quorum was present.

Staff present:

Consumer Finance Division: Commissioner Ron Bodvake, Deputy Commissioner Amy Gelhaus, Deputy Commissioner Phyllis Wicker, Deputy Commissioner Quinton Creed

Banking Division: Commissioner Kathy Bickham, Deputy Commissioner Janeen Hughes, Deputy Commissioner Remonia Wright

State Treasurer's Office: Deputy State Treasurer Cynthia Dannels, Administration Division Director Jordan Dominick, Deputy General Counsel Shawn Eubanks, Deputy General Counsel Chris Majure, Human Resources Manager Lisa O'Sullivan, Fiscal Analyst Tiffany Hubbard, and Fiscal Analyst Cameron Larkin

The Agenda for this meeting was approved by General Consent.

The June 5, 2024 Board Meeting Minutes were approved by General Consent.

Chairman Loftis asked if any member needed to be recused from or had any conflict of interest with an item on this agenda. No conflicts were identified.

Chairman Loftis welcomed Carol Addy as a new member of the Board. Ms. Addy shared her background with the Board and what she plans to contribute as a member.

Committee Reports

Legislative and Regulatory Committee Chairman Ham stated that the Legislative and Regulatory Committee met on June 27th. Mr. Ham shared that Commissioner Bodvake and Commissioner Bickham presented Legislative Tracking Sheets for the 2023 – 2024 session, highlighting notable proposed Bills affecting their respective Divisions. Mr. Ham then stated that Commissioner Bickham presented the Committee with an Operational Instruction issued by BOFI in 2015 and recommended rescission due to the codification of Regulation 15-7 and Regulation 15-41.

Chairman Loftis asked Commissioner Bickham to present the item before the vote was taken.

On motion of Mr. Ham on behalf of the Legislative and Regulatory Committee, the Board voted to rescind the Operational Instruction issued by BOFI on January 13, 2015 in light of codification in Regulation 15-7 and Regulation 15-41.

Mr. Ham continued his report stating that Commissioner Bickham also presented a list of recommendations for actions or amendments to existing regulations. Mr. Ham said that the Committee agreed to continue discussions on the regulations at a later meeting. Mr. Ham stated that acting Chairman Walters asked Commissioner Bickham to gather feedback from Board members before the committee reconvened. Mr. Ham reported that the committee reconvened on July 9th and Commissioner Bickham presented changes to the proposed regulations incorporating feedback received. He also stated that the next Committee meeting is scheduled for December 12th.

Chairman Loftis asked Commissioner Bickham to present the proposed regulations before the vote was taken.

On motion of Mr. Ham on behalf of the Legislative and Regulatory Committee, the Board voted to approve the proposed regulations from the Banking Division for submittal for publication.

Budget and Operations Committee Chairman Pennington stated that the Budget and Operations Committee met on July 30th. Mr. Pennington stated that Commissioner Bickham and Commissioner Bodvake presented the Committee with updates to their respective organizational charts including current vacancies and recent staff changes. The Chairman also mentioned that Commissioner Bodvake presented the Consumer Finance Division's proposed supervisory fees for Fiscal Year 2025. The Committee agreed on one of two options for the supervisory fees. Mr. Pennington introduced a motion to adopt the Consumer Finance Division's fee assessment proposal.

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Chairman Loftis asked Commissioner Bodvake to present his proposal before the vote was taken.

On motion of Mr. Pennington and on behalf of the Budget and Operations Committee, the Board voted to adopt the Supervisory Fee Assessment Proposal from the Consumer Finance Division.

Mr. Pennington continued his report stating that Commissioner Bickham presented the Banking Division's proposed Fiscal Year 2025 supervisory fees for banks, credit unions, trust companies, and business development corporations. The Committee agreed on one of three proposed options for the bank supervisory fees. Mr. Pennington noted that the next Committee meeting is scheduled for August 27th, 2024.

Commissioner Bickham provided the Board with an overview of the fee schedule options recommended by the Committee. Mr. Ham thanked Commissioner Bickham and her staff for working to make the fee schedules more equitable between the smallest and largest state banks but believes there is still opportunity for improvement.

On motion of Mr. Pennington and on behalf of the Budget and Operations Committee, the Board voted to adopt the Supervisory Fee Assessment Proposals from the Banking Division as recommended by the Committee.

Commissioner Updates

Commissioner of Consumer Finance, Ron Bodvake, informed the Board of an upcoming NACCA Examiner School in September at which staff would be attending. Commissioner Bodvake provided the Board with an article from CFPB related to a rule to help homeowners avoid foreclosure along with an update from CSBS regarding an upgrade to NMLS. Commissioner Bodvake also provided the Board with reports on monthly statistics and newly approved consumer licensees.

Commissioner of Banking, Kathy Bickham, informed the Board of recent resignations and a new hire along with actions taken under her delegated authority as Commissioner.

Executive Session

The Board voted unanimously to enter into Executive Session.

Deputy General Counsel Shawn Eubanks stated that The Board will enter Executive Session to discuss information about regulated entities, to discuss negotiations incident to two settlement agreements, to discuss personnel matters related to salary, and to receive legal advice as needed.

The Board voted unanimously to end Executive Session.

Once in open session, the Chairman stated that no votes were taken in executive session except to exit Executive Session.

Actions following Executive Session:

On motion of Mr. Pennington and duly seconded by Mr. Bouchette, the Board voted to authorize the Commissioner of Consumer Finance to negotiate and execute settlement agreements

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concerning unlicensed check cashing activity with two regulated entities in accordance with the terms discussed in Executive Session

The Chairman announced that the next board meeting is scheduled for Wednesday, September 4, 2024.

There being no objection, the meeting adjourned at 11:03 AM.