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State Treasurer



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JOHN F. WINDLEY | *Columbia*
CHARLES H. STUART | *Mount Pleasant*
BILLY D. BYRD, II | *Hartsville*

SOUTH CAROLINA
STATE BOARD OF FINANCIAL INSTITUTIONS

MINUTES

Wednesday, December 4, 2019

10:00 A.M.

**1200 Senate Street, Wade Hampton Office Building
Governor's Conference Room
Columbia, South Carolina**

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 4th day of December 2019, with Chairman Loftis presiding.

Members present: Messrs. Conley, Walters, Wright, Windley, Stuart, Byrd, and (via phone) Ham, Pennington and Wicker.

Mr. Strickland could not attend.

Staff present

Banking Division: Commissioner Rick Green and Deputy Commissioner Kathy Bickham.

Consumer Finance Division: Commissioner Ron Bodvake and Deputy Commissioners Carl Jeffcoat and Phyllis Wicker.

State Treasurer's Office: General Counsel Shelly Kelly, Deputy General Counsel Bill Condon, Counsel Shawn Eubanks, Director of Communications Karen Owens, Finance Specialist Cameron Larkin and STO's BOFI Administrator Alicia Sharpe.

Visitors present: Dr. Steven Gilbert (Senate Banking and Insurance Committee), Billy Boylston (Carolinas Credit Union League) and Derial Ogburn (Ogburn and Associates, Inc.).

The Agenda for this meeting was approved by General Consent.

The November 6, 2019 Board Minutes were approved by General Consent.

Board Member Recusal or Conflicts of Interest

The Chairman asked if any member had a conflict with an item on the agenda. No conflict of interest was identified.

Committee Reports

John Windley of the **Policy and Planning Committee** reported that “State Treasurer’s Office Staff presented two documents to the Policy and Planning Committee discussed at its meetings on November 6, 2019 and November 21, 2019. The two documents, which was included in the meeting materials for this meeting, were amendments to the Board’s current **By-Laws** and a new document titled **State Board of Financial Institutions Rules of Governance Manual**. Staff believes that these documents will provide more structure to Board operations and meetings and needed clarity on some matters. Our discussions with staff about these documents resulted in some changes to each document. The Committee recommends the adoption of both documents.”

Mr. Windley then stated, “On behalf of the Policy and Planning Committee, I move that the Board adopt the recommendation just read.”

Mr. Wright moved to amend the pending motion to adopt the amended By-Laws and the Rules of Governance Manual as recommended by the Committee, but to insert a footnote in Article II of the By-Laws and in Section I.C.I.a.2 of the Governance Manual to state, “Section 34-1-20 says that one Board Member must be recommended to the Governor by the association of supervised lenders; however, that association does not exist. Therefore, in recent years, this Board Member has been recommended by the South Carolina Financial Services Association.”

The friendly motion was seconded by Mr. Conley.

Mr. Wright’s motion was unanimously carried.

The Chairman then called for a vote to approve the By-Laws and the Rules of Governance as amended. The motion to approve the two documents, as amended, was unanimously approved.

Commissioner Reports

Rick Green, Commissioner of Banking, reported the following to the Board:

Industry Engagement

- Commissioner Green attended a branch grand opening and ribbon cutting.

Education/Training

- Examiner III Aaron Fleming – Introduction to Security school.
- Seven staff members, including examiners and review examiners, attended FDIC sponsored CECL Training.

Emergency Preparedness

- Commissioner Green and Senior Review Examiner Hughes met with the leadership of the Beaufort County Emergency Management Division.
- Commissioner Green and Senior Review Examiner Hughes participated in the annual Emergency Support Function (ESF) planning workshop for SC Emergency Operations Center.
- SC EMD is developing a revised South Carolina Recovery Plan. Senior Review Examiner Hughes participated in the SC Recovery Task Force Meeting.
- Based on the revised plan, we will also participate in a Recovery Support Function (RSF).

Risk ID Committee

- CSBS Risk ID Survey Results
- Commissioner's Industry Survey Results
- Communication to Industry

Legislative Activity

- Industry-proposed changes to Title 34

Commissioner of Consumer Finance, Ron Bodvake, reported the following:

Office Construction

- Contract has been awarded. Construction will begin 12/9/19 with a completion by 1/24/20.

Temporary Authority

- The Economic Growth, Regulatory Relief and Consumer Protection Act was signed into law May 24, 2018 and was effective November 24, 2019.
- Applies to Federal MLO and State-Licensed MLO
- Allows the originator meeting above criteria to operate for 120 days
- Specific worklist in NMLS for Temporary Authority MLO applications
- Division has adapted internal checklists for changes to the process

Reports (attachments to the Commissioner Report)

- Monthly statistics
- Consumer license chart
- Mortgage renewal snapshot

Investigations

- Supervised
- Deferred Presentment
- Check Cashing

Consumer Finance Division Board Approvals

The Consumer Finance Division reviewed the applications for in-state and out-of-state Supervised Consumer Finance Licenses, a Deferred Presentment License, and two licenses for Level II Check Cashing Services listed on the agenda. The Consumer Finance Division determined that each respective applicant/licensee meets the licensing or other requirements defined in the applicable statutes.

On motion of Mr. Windley, seconded by Mr. Walters and unanimously carried, the Board adopted a motion to approve the following items:

- 1. Applications for Supervised Consumer Finance Licenses to perform certain lending operations for which the Division has determined that the licensing requirements under Section 37-3-503(1), (2) have been met:***
 - a. In-State Applications:***
 - 1. Fast Money Title Loans LLC at 1270 Asheville Highway, Unit A, Spartanburg, South Carolina 29303. (New)***
 - b. Out of State Applications:***
 - 1. Huntington Debt Holding LLC at hdhllc.net. (# Active 1)***
 - 2. Portfolio Recovery Associates, LLC at 119 Cane Creek Boulevard, Danville, Virginia 24540. (# Active 11)***
 - 3. SoFi Lending Corp. dba SoFi at 2750 East Cottonwood Parkway, Suite 300 Cottonwood Heights, Utah 84121. (# Active 2)***
 - 4. Spring Oaks Capital, LLC at 1400 Crossways Boulevard, Suite 100B, Chesapeake, Virginia 23320. (New)***
 - 5. Till Resident Finance LLC at 2201 Wisconsin Avenue, North West, Suite 200, Washington, DC 20007. (# Active 2)***
- 2. Applications for Deferred Presentment Licenses for which the Division has determined that the licensing requirements under Section 34-39-160 have been met:***
 - a. Advance America, Cash Advance Centers of South Carolina, Inc. at 135 North Church Street, Spartanburg, South Carolina 29306. (# Active 99)***
- 3. Applications for Level II Check Cashing Services Licenses for which the Division has determined that the licensing requirements under Sections 34-41-40, 34-41-42, and 34-41-50 have been met:***
 - a. Eva One LLC dba Royal Liquor Store at 3 Jones Drive, Ware Shoals, South Carolina 29692. (New)***
 - b. H & A Sales Company LLC dba Racers Gas at 298 Main Street, Graniteville, South Carolina 29829. (New)***

Executive Session

The Board voted unanimously to adjourn into Executive Session.

Deputy General Counsel Bill Condon stated the reasons the Board entered Executive Session: to discuss applications to establish bank branches, requests to do business in South Carolina by an out-of-state credit union upon merger, a request to relocate a branch, a request to purchase property, a request for a credit union merger, personal information of a regulated entity, to discuss legal matters and receive legal advice.

The Board voted unanimously to end Executive Session.

Actions following Executive Session

Voting on Items Discussed in Executive Session.

On motion of Mr. Windley, seconded by Mr. Stuart and unanimously carried, the Board adopted a motion to approve, subject to the conditions that the Commissioner provided to the Board, the establishment of a branch at 1053 South Pendleton Street, Easley, South Carolina, by Blue Ridge Bank of Walhalla, South Carolina.

On motion of Mr. Windley, seconded by Mr. Conley and unanimously carried, the Board adopted a motion to approve, subject to the conditions that the Commissioner provided to the Board, the purchase of property and establishment of a branch at 2204 Augusta Street, Greenville, South Carolina, by GrandSouth Bank of Greenville, South Carolina.

On motion of Mr. Windley, seconded by Mr. Byrd and unanimously carried, the Board adopted a motion to approve, subject to the conditions that the Commissioner provided to the Board, the relocation of the Ridgeville branch of Enterprise Bank of South Carolina to a location on Ridgeville Road, Ridgeville, South Carolina, that is approximately 840 feet from the intersection of Ridgeville Road and US Highway 78.

On motion of Mr. Conley, seconded by Mr. Walters and unanimously carried, the Board adopted a motion to approve the purchase of property in Aynor, South Carolina, by Anderson Brothers Bank of Mullins, South Carolina.

On motion of Mr. Conley, seconded by Mr. Byrd and unanimously carried, the Board adopted a motion to approve, subject to the conditions that the Commissioner provided to the Board, that TRMC Employees Credit Union, Orangeburg, South Carolina, merge with South Carolina State Federal Credit Union, Columbia, South Carolina.

On motion of Mr. Byrd, seconded by Mr. Conley and unanimously carried, the Board adopted a motion to approve the Consent Order between the Commissioner of Banking and Self-Help Credit Union.

Announcements:

The next board meeting is scheduled for Wednesday, January 8, 2020.

There being no objection, the meeting adjourned at 11:40 AM.