

Chairman

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

Chairman Pro Tempore

HOWARD H. WRIGHT, JR.



Board Members

HOWARD H. WRIGHT, JR. | *Rock Hill*
W. DONALD PENNINGTON | *Simpsonville*
F. JUSTIN STRICKLAND | *Lexington*
J. DANIEL WALTERS | *Greenville*
K. WAYNE WICKER | *Myrtle Beach*
J. BARRY HAM | *Manning*
CHARLES H. STUART | *Mount Pleasant*
BILLY D. BYRD, II | *Hartsville*
JENNY MICHAELS / Sumter
THOMAS BOUCHETTE / Florence

SOUTH CAROLINA
STATE BOARD OF FINANCIAL INSTITUTIONS

MINUTES
Wednesday, August 3, 2022
10:00 AM
Conference Room 121
and via WebEx Virtual Conference Room

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 3rd day of August 2022 with Chairman Loftis presiding.

Other members present: Ms. Michaels and Messrs. Pennington, Wright, Strickland, Walters, Wicker, Ham, Stuart, Byrd, and Bouchette.

The Chairman stated that a quorum was present.

Staff present:

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

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

State Treasurer's Office: Chief of Staff Clarissa Adams, Deputy State Treasurer Cynthia Dannels, Deputy General Counsel Bill Condon, Deputy General Counsel Shawn Eubanks, Human Resources Manager Lisa O'Sullivan, Communications Division Director Karen Ingram, Assistant Administration Division Director Jordan Dominick, Fiscal Analyst Cameron Larkin

Visitors: Billy Boylston of the Carolina Credit Unions League

The Agenda for this meeting was approved by General Consent.

August 3, 2022

The June 1, 2022 Board Meeting Minutes were approved by General Consent.

No conflicts of interest were identified

Committee Reports

Mr. Ham notified the Board that The **Legislative and Regulatory Committee** met virtually on July 14th. All members were present. BOFI and STO staff were also present. Commissioner Bickham provided the Committee with a proposed operational instruction regarding Deposit Production Offices and Loan Production Offices. This Operational Instruction was provided to the Board in advance of this meeting. At this Board meeting, Mr. Eubanks provided a brief overview of the proposed operational instruction.

On motion of Mr. Ham on behalf of the Committee, The Board voted unanimously to approve the proposed operational instruction regarding Deposit Production Offices and Loan Production Offices.

Mr. Ham continued his report informing the Board that Commissioner Bodvake provided the Committee with a proposed policy statement concerning check cashing. The Policy Statement was also provided to the Board in advance of this meeting. At this Board meeting, Mr. Condon provided an overview of the proposed policy statement.

On motion of Mr. Ham on behalf of the Committee, The Board voted unanimously to approve the proposed Policy Statement Concerning "Other Consideration" in the Context of South Carolina's Check-Cashing Laws.

Mr. Pennington notified the Board The **Budget and Operations Committee** met on July 21st. Mr. Pennington reported that Commissioner Bodvake presented and briefly discussed Consumer Finance's FY 2023 Supervisory Fee Schedule Proposal. The fees did not change from last year's schedule. Mr. Pennington also reported that Commissioner Bickham provided a Quarterly Operating Expense Report and presented the 2023 Proposed Supervisory Fees. Commissioner Bickham provided a summary of the FY 2023 Proposed Supervisory Fees.

On motion of Pennington on behalf of the Committee, The Board voted unanimously to adopt the Banking Division's FY 2023 Supervisory Fee Assessment Proposal as presented.

Commissioner of Consumer Finance, Ron Bodvake informed the Board that Licensing Specialist Kayla Jones was promoted to a Mortgage Examiner position. Commissioner Bodvake announced that two upcoming conferences will be in person. Commissioner Bodvake provided the Board with the Monthly Statistics Report in which he emphasized a trending slowdown of Mortgage Loan Originator applications. The Commissioner then presented the Approved Consumer Licensees Report, and the 2023 Supervisory Fee Schedule. These reports were all provided to the Board in advance of this meeting. Mr. Bouchette asked if the applications on the Approved Consumer Licensees Report were new. Mr. Bodvake confirmed this and provided further clarity.

Commissioner of Banking, Kathy Bickham updated the Board on a recent panel at the Independent Banks of South Carolina Annual Convention on which she and her two Deputy Commissioners

August 3, 2022

spoke. Commissioner Bickham informed the Board that Diedre Fulmer was promoted to a Senior Review Examiner position effective June 12, 2022 and Lilasha Dervin was promoted to an Examiner II position effective June 17, 2022. Commissioner Bickham notified the Board of an action she took under delegated authority which was to approve a request from First Capital Bank of Charleston, South Carolina to relocate a branch in Summerville, South Carolina. Commissioner Bickham briefed the Board on a SLED cybersecurity program.

Executive Session

The Board voted unanimously to adjourn into Executive Session.

Deputy General Counsel Bill Condon stated that The Board will enter Executive Session to discuss requests by and other information about regulated persons, to discuss the issuance of policy guidance including regulations, to discuss negotiations incident to settlement agreements as well as contractual services, and to receive legal advice as needed.

The Board voted unanimously to end Executive Session.

Actions following Executive Session:

On motion of Ms. Michaels and duly seconded by Mr. Byrd, the Board voted to approve the request of Nucor Employee's Credit Union, Florence, South Carolina, for approval to close its branch located at 912 Cheney Avenue, Marion, Ohio, subject to any conditions provided by the Commissioner of Banking in Executive Session.

On motion of Mr. Pennington and duly seconded by Mr. Strickland, the Board voted to approve the request by the Commissioner of Consumer Finance to negotiate and execute settlement agreements concerning unlicensed check cashing activity with three regulated entities in accordance with the terms discussed in Executive Session.

On motion of Mr. Pennington and duly seconded by Mr. Bouchette, the Board voted to approve the Memorandum of Agreement between the State Treasurer's Office and the Board of Financial Institutions for shared services as discussed in Executive Session. Mr. Wright abstained from voting on this matter.

New Business:

In accordance with the By Laws, the Chairman announced that Mr. Wright would remain as the Chairman Pro Tempore. Mr. Wright was confirmed as being the board member with the most consecutive tenure.

Announcements:

The Chairman announced that the next board meeting is scheduled for Wednesday, September 7, 2022.

There being no objection, the meeting adjourned at 11:51 AM.