

**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, September 7, 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 7<sup>th</sup> day of September 2022 with Chairman Pro Tempore Wright presiding.

Other members present: Ms. Michaels and Messrs. Pennington, Strickland, Walters, 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: 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.**

**The August 3, 2022 Board Meeting Minutes were approved by General Consent.**

**Mr. Byrd** submitted a conflict of interest statement prior to the meeting recusing himself of all matters related to SPC Credit Union. The Chairman asked if there were any other conflicts of interest. None were identified.

### **Committee Reports**

**Mr. Pennington** notified the Board the **Budget and Operations Committee** met on August 18<sup>th</sup>. Commissioners Bodvake and Bickham presented and briefly discussed their division's portion of the Fiscal Year 2023 Operating Expenses, Fiscal Year 2024 Budget Appropriations Request, and Fiscal Year 2022 Accountability Report. Mr. Pennington also notified the Board that the next Committee meeting is scheduled for October 20<sup>th</sup>.

***On motion of Pennington on behalf of the Committee, The Board voted unanimously to approve for submission the 2024 Budget Appropriations Request and 2022 Accountability Report.***

**Mr. Ham** notified the Board that the **Legislative and Regulatory Committee** met on August 25<sup>th</sup>. Commissioner Bodvake and Counsel Bill Condon presented, and the Committee discussed three proposed regulations and an amendment to an existing regulation concerning check cashing. The Committee recommended that the Board adopt two of the regulations, but Committee members thought that the Board, not the Committee, should address the other two regulations because they are impacted by a policy statement recently adopted by the Board. Mr. Ham also informed the Board that the next Committee meeting is scheduled for December 15, 2022

Commissioner Bodvake gave a brief overview of the four regulations under consideration.

***On motion of Mr. Ham and duly seconded by Mr. Pennington, The Board voted unanimously to approve the amendment to existing regulation 15-65 and the addition of regulation 15-66, as presented.***

**The Chairman** noted that although the Committee did not take any action concerning proposed regulation numbers 15-67 and 15-68, this would be an appropriate time to address these and invited **Commissioner Bodvake** to discuss.

**Mr. Strickland** asked Commissioner Bodvake which of the alternatives for the regulations he would recommend. Mr. Bodvake stated that Alternative number two would be a good compromise and be less cumbersome for check cashing institutions that cash checks only in exchange for a required purchase of goods or services.

***On motion of Mr. Ham and duly seconded by Mr. Strickland, The Board voted unanimously to approve the addition of Regulations 15-67 and 15-68, as presented by Commissioner Bodvake in Alternative No. 2.***

**Commissioner of Consumer Finance, Ron Bodvake** provided an update to the Board on upcoming conferences and gave a brief overview regarding ongoing investigations. Mr. Bodvake also provided

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the Board with reports on Monthly Statistics, New Approved Consumer Licensees, and recent Level II Check Cashing site visits.

**Commissioner of Banking, Kathy Bickham** notified the Board of a recent virtual presentation about SLED's SC Critical Infrastructure Cybersecurity Program. Ms. Bickham also informed the Board that Examiner Patrick Kichline recently attended the FDIC's Financial Institution Analysis School.

#### **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 entities, 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**

#### **Actions following Executive Session:**

***On motion of Mr. Ham and duly seconded by Mr. Pennington, the Board voted to approve the request of SPC Credit Union, Hartsville, South Carolina, to include in its field of membership persons who live in, attend school in, or work in Chesterfield County, an underserved community, subject to any conditions provided by the Commissioner of Banking in Executive Session.*** The Chairman noted for the record that **Mr. Byrd** refrained from voting on this matter. 22

***On motion of Mr. Strickland and duly seconded by Mr. Bouchette, the Board voted to approve the application of Community First Bank, Inc., Walhalla, South Carolina, to establish a branch at 1811 W. State of Franklin Road, Suite 1, Johnson City, Tennessee, subject to any conditions provided by the Commissioner of Banking in Executive Session.***

***On motion of Mr. Strickland and duly seconded by Mr. Bouchette, the Board voted to approve the application of First Community Bank, Lexington, South Carolina, to establish a branch at 1746 Ebenezer Road, Rock Hill, South Carolina, subject to any conditions provided by the Commissioner of Banking in Executive Session.***

***On motion of Mr. Strickland and duly seconded by Mr. Pennington, the Board voted to approve the request by the Commissioner of Consumer Finance to negotiate and execute a settlement agreement concerning unlicensed check cashing activity with a regulated entity in accordance with the terms discussed in executive session.***

#### **Announcements:**

The Chairman announced that the next board meeting is scheduled for Wednesday, October 5, 2022.

There being no objection, the meeting adjourned at 10:37 AM.