

**Rules of
Department of Economic
Development**

**Division 260–Division of Savings
and Loan Supervision
Chapter 1–Introduction**

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**Title 4—DEPARTMENT OF
ECONOMIC DEVELOPMENT
Division 260—Division of Savings
and Loan Supervision
Chapter 1—Introduction**

4 CSR 260-1.010 Description of Organization

PURPOSE: The purpose of this regulation is to comply with section 536.023(3), RSMo (1986) which requires each agency to adopt as a regulation, a description of its operation and the methods and procedures where the public may obtain information or make submissions or requests.

- (1) The Division of Savings and Loan Supervision is a division of the Department of Economic Development.
- (2) The primary function of the Division of Savings and Loan Supervision is to serve the savings and loan business and the public interest by furthering thrift and home ownership.
- (3) Originally established in 1895, the division has been charged with the duty of enforcing efficient operating methods for state-chartered associations and the improvement of statutes and regulations affecting state-chartered savings and loan associations and the citizens of Missouri.
- (4) The division employs a director, counsel, administrative secretary, bookkeeper, supervisory examiner and field examiners.
- (5) The functions of the division may be divided into eight (8) categories:
 - (A) Examinations;
 - (B) Statutory and regulatory compliance;
 - (C) Chartering savings and loan associations, processing facility and merger applications;
 - (D) Receipt and handling of consumer complaints;
 - (E) Improvement of state laws which regulate state-chartered savings and loan associations and establishment of regulations of the division;
 - (F) Review and comment on all legislation affecting the savings and loan industry;
 - (G) Financial data compilation; and
 - (H) Dissemination of information to the public.
- (6) The statutory duty of the division is to examine all state-chartered savings and loan associations. Examinations of federally insured state-chartered savings and loan associations are conducted jointly with the examiners employed by the Federal Home Loan Bank Board. The purpose of the examination of an association is to determine the financial stability of an association, to check lending and savings procedure and to determine compliance with state law and regulations of the division.
- (7) In addition to determining statutory and regulatory compliance during an examination, the division through its counsel aids state-chartered savings and loan associations in complying with state law and regulations of the division and the division responds to any questions an association may have concerning statutes and regulations.
- (8) Chartering Savings and Loan Associations, Processing Facility and Merger Applications.
 - (A) The division is responsible for processing an application to charter a savings and loan association. Charter applications are processed pursuant to sections 369.019, 369.024, 369.029, 369.034, 369.039 and 369.044, RSMo (1986). The Division of Savings and Loan Supervision has an information sheet on the procedure for incorporating a savings and loan association which will be furnished upon request.
 - (B) The division is responsible for processing facility applications. A facility includes a branch, tandem branch, remote service unit, drive-in, agency or mobile facility. Applications for these facilities are sent to the division and, depending upon the type of facility, a hearing may be required.
 - (C) The division processes merger applications. Because most state associations are insured by the Federal Savings and Loan Insurance Corporation, when an insured state-chartered savings and loan association is involved, merger applications are processed jointly with the Federal Home Loan Bank Board and the Federal Home Loan Bank of Des Moines, Iowa.
- (9) The division is responsible for answering requests for information which an individual may have concerning the operations of the Division of Savings and Loan Supervision or answering general information requests. In addition, the division handles complaints against a state-chartered savings and loan association by contacting the association involved and ascertaining the reason for the complaint. Consumer complaints and requests for information are received either directly from the consumer, from the Department of Economic Development and, in some instances, may be forwarded by the attorney general's office.
- (10) Another function of the division is to improve state laws which regulate or may affect state-chartered savings and loan associations. The present laws regulating the industry were extensively redrafted and adopted in 1971. The division actively participates in the legislative process in developing new laws and suggesting possible new legislation. The division's director is also required by law to establish regulations for the orderly administration of the department's statutory duties. These regulations may be in response to changes in the industry; a result of a change in federal statute or regulation; or because of a need as ascertained by division personnel. Section 369.299, RSMo (1986) states that the director shall establish, amend, supplement and revoke, subject to the State Savings and Loan Commission, all regulations authorized by the provisions of sections 369.010 to 369.369, RSMo (1986) and such additional regulations as may be reasonable or necessary to provide for the organization, incorporation, examination, operation and regulation of associations and service corporations, and s/he may by regulation provide that an association shall have all powers, rights and privileges which it would have from time-to-time if organized and operating in Missouri as a federal association under the laws of the United States.
- (11) Legislation which is proposed is sent to the division for comment and review. Testimony may be elicited from the director and formal submission of the director's comments may also be requested. The request for review and comment may come from either the legislature or the Department of Economic Development.
- (12) Upon the periodic request of the governor, the division files a report in writing to the governor as to the financial condition of each state-chartered association. In addition, the director annually reports to the governor and the director of the Department of Economic Development his/her findings made in accordance with Missouri's law prohibiting discrimination in the granting of residential real estate loans. Other compilations of data occur in response to requests from the Department of Economic Development, the members of the legislature and for internal use by the Division of Savings and Loan Supervision.
- (13) Any requests for information concerning industry trends or general financial data may be obtained from the division by making a written request. By statute, no specific information about an association may be revealed,



but the division does respond to any requests concerning general information and/or statistics about this office and any state-chartered savings and loan association.

(14) Any person who desires information or wants to make a submission or request may do so by writing to: Director, Division of Saving and Loan Supervision, P.O. Box 836, Jefferson City, MO 65102 or by calling (314) 751-4243.

AUTHORITY: section 369.299, RSMo 1986. Original rule filed Dec. 22, 1975, effective Dec. 31, 1975. Amended: Filed June 7, 1979, effective Oct. 12, 1979. Amended: Filed Nov. 4, 1986, effective Jan. 30, 1987.*

**Original authority: 369.299, RSMo 1971.*