

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

COMMITTEE SUBSTITUTE
FOR ENGROSSED SENATE
BILL NO. 1680

By: Fisher of the Senate

and

Carey of the House

COMMITTEE SUBSTITUTE

An Act relating to banks and trust companies;
creating the Oklahoma Industrial Loan Company Branch
Act of 2006; providing short title; defining terms;
limiting establishment of de novo branch or
acquisition of branch subject to certain conditions;
requiring Banking Board to promulgate rules;
permitting Board to establish specified procedure and
requiring criteria therein; providing for
severability; providing for codification; and
declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 510 of Title 6, unless there is
created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma
Industrial Loan Company Branch Act of 2006".

SECTION 2. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 511 of Title 6, unless there is
created a duplication in numbering, reads as follows:

As used in this act, an "industrial loan company" or "industrial
bank" means a company that is chartered by another state to make
consumer loans or commercial loans or to accept deposits insured by
the Federal Deposit Insurance Corporation but not to accept demand
deposits and that is not subject to the Bank Holding Company Act of
1987 or to supervision by the Federal Reserve System.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 512 of Title 6, unless there is created a duplication in numbering, reads as follows:

A. An out-of-state industrial loan company or industrial bank shall not be permitted to establish a de novo branch in this state, nor to acquire a branch bank or savings association branch in this state, unless, on a reciprocal basis, the state where the main office of the out-of-state industrial loan company or industrial bank is located would permit a bank chartered under the laws of this state with a main office located in this state to establish a de novo industrial loan company or industrial bank branch in that other state without having engaged in an interstate merger transaction with an industrial loan company or industrial bank having its main office in that other state.

B. No industrial loan company or industrial bank shall be permitted to establish and operate a branch, or relocate a branch, except upon a certificate issued by the State Banking Commissioner.

C. The Banking Board shall adopt and promulgate rules necessary to effectuate the provisions of this act. The Board may, by rule, establish a procedure whereby the Commissioner may grant approval and issue the certificate to establish or acquire and operate or relocate a branch or other banking office permitted by this section without a hearing before the Board. The procedure shall include criteria set by the Board to be applied by the Commissioner in the consideration of the application.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 513 of Title 6, unless there is created a duplication in numbering, reads as follows:

The provisions of this act are severable and if any part or provision shall be held void, the decision of the court so holding shall not affect or impair any of the remaining parts or provisions of this act.

SECTION 5. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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