

SB 1680

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THE STATE SENATE  
Monday, February 27, 2006

Senate Bill No. 1680  
As Amended

SENATE BILL NO. 1680 - By: FISHER of the Senate and CAREY of the House.

[ banks and trust companies - creating Oklahoma Industrial Loan Company Branch Act of 2006 - limiting establishment or acquisition of branch - codification - 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.

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

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

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

18 C. The Banking Board shall adopt and promulgate rules necessary  
19 to effectuate the provisions of this act. The Board may, by rule,  
20 establish a procedure whereby the Commissioner may grant approval  
21 and issue the certificate to establish or acquire and operate or  
22 relocate a branch or other banking office permitted by this section  
23 without a hearing before the Board. The procedure shall include

1 criteria set by the Board to be applied by the Commissioner in the  
2 consideration of the application.

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

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

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

14 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-14-06 - DO PASS,  
15 As Amended and Coauthored.