ASSEMBLY BILL NO. 215–COMMITTEE ON COMMERCE AND LABOR

FEBRUARY 28, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Limits interstate banking by certain entities that open branch offices in this State pursuant to certain statutory provisions. (BDR 55-1125)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets [~~omitted material~~] is material to be omitted.

AN ACT relating to banking; limiting interstate banking by an out-of-state depository institution that establishes or acquires a branch office in certain counties pursuant to certain statutory provisions; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides limitations upon banking in this State by out-of-state depository institutions and out-of-state holding companies. (Chapter 666 of NRS) An exception to these limitations allows the establishment of a branch office or the acquisition of an existing branch of a depository institution in a county whose population is less than 100,000 (currently counties other than Clark and Washoe Counties). (NRS 666.410) This bill provides that an out-of-state depository institution that establishes or acquires a branch office pursuant to this exception is still considered an out-of-state depository institution for the purposes of all other provisions limiting interstate banking.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 666.410 is hereby amended to read as follows:

666.410 An out-of-state depository institution without a branch in Nevada or an out-of-state holding company without a depository institution in Nevada may not establish a de novo branch in this

State or acquire, through merger or otherwise, a branch of a depository institution in Nevada without acquiring the institution itself or its charter, except that, with the written approval of the Commissioner:

1. An out-of-state depository institution without a branch in Nevada ~~[or an out-of-state holding company without a depository institution in Nevada]~~ may establish a branch office or acquire an existing branch in a county whose population is less than 100,000 without acquiring or merging with a Nevada depository institution or a Nevada holding company ***.*** ~~[; and]~~ ***An out-of-state depository institution that establishes or acquires a branch office pursuant to this subsection continues to be considered an out-of-state depository institution without a branch in Nevada for the purposes of all other provisions of this chapter.***

2. An out-of-state depository institution without a branch in Nevada which is owned or controlled by a holding company that is entitled to the exemption set forth in section 4(c)(i) of the Bank Holding Company Act of 1956, as amended, 12 U.S.C. § 1843(c)(i), may acquire an existing branch in Nevada without acquiring or merging with a Nevada depository institution or a Nevada holding company.