

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:

1 Existing law provides limitations upon banking in this State by out-of-state
2 depository institutions and out-of-state holding companies. (Chapter 666 of NRS)
3 An exception to these limitations allows the establishment of a branch office or the
4 acquisition of an existing branch of a depository institution in a county whose
5 population is less than 100,000 (currently counties other than Clark and Washoe
6 Counties). (NRS 666.410) **Section 1** of this bill provides that an out-of-state
7 depository institution that establishes or acquires a branch office pursuant to this
8 exception is still considered an out-of-state depository institution for the purposes
9 of all other provisions limiting interstate banking. **Section 1** also provides that an
10 out-of-state depository institution that has established or acquired, or been approved
11 to establish or acquire, a branch pursuant to this exception may also establish or
12 acquire a branch in a county whose population is 100,000 or more, but only so long
13 as the out-of-state depository institution continues to operate a branch in a county
14 whose population is less than 100,000.

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

1 **Section 1.** NRS 666.410 is hereby amended to read as follows:
2 666.410 **1.** An out-of-state depository institution without a
3 branch in Nevada or an out-of-state holding company without a



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1 depository institution in Nevada may not establish a de novo branch
2 in this State or acquire, through merger or otherwise, a branch of a
3 depository institution in Nevada without acquiring the institution
4 itself or its charter, except that, with the written approval of the
5 Commissioner:

6 ~~1.1~~ (a) An out-of-state depository institution without a branch
7 in Nevada ~~for an out-of-state holding company without a depository~~
8 ~~institution in Nevada~~ may establish a branch office or acquire an
9 existing branch in a county whose population is less than 100,000
10 without acquiring or merging with a Nevada depository institution
11 or a Nevada holding company . ~~1.2 and~~ *Except as otherwise*
12 *provided in subsection 2, an out-of-state depository institution that*
13 *establishes or acquires a branch office pursuant to this paragraph*
14 *continues to be considered an out-of-state depository institution*
15 *without a branch in Nevada for the purposes of all other*
16 *provisions of this chapter.*

17 ~~1.2~~ (b) An out-of-state depository institution without a branch
18 in Nevada which is owned or controlled by a holding company that
19 is entitled to the exemption set forth in section 4(c)(i) of the Bank
20 Holding Company Act of 1956, as amended, 12 U.S.C. § 1843(c)(i),
21 may acquire an existing branch in Nevada without acquiring or
22 merging with a Nevada depository institution or a Nevada holding
23 company.

24 *2. An out-of-state depository institution that on or before*
25 *March 31, 2007, has, pursuant to paragraph (a) of subsection 1,*
26 *established or acquired, or been approved by the Commissioner to*
27 *establish or acquire, a branch in a county whose population is less*
28 *than 100,000, may establish or acquire a branch in a county*
29 *whose population is 100,000 or more so long as the out-of-state*
30 *depository institution continues to operate a branch in a county*
31 *whose population is less than 100,000.*

32 **Sec. 2.** This act becomes effective upon passage and approval.

