

SENATE BILL NO. 145—SENATOR SPEARMAN

FEBRUARY 23, 2021

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to financial institutions.
(BDR 55-481)

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

~

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

AN ACT relating to financial institutions; requiring a financial institution to notify the Commissioner of Financial Institutions once a certain rating of the financial institution is publicly available; requiring the Division of Financial Institutions of the Department of Business and Industry to post the rating of certain financial institutions on its Internet website; requiring the Commissioner to submit an annual report to the Legislature or Legislative Commission relating to such ratings; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The Community Reinvestment Act of 1977 (CRA) requires certain financial institutions to provide certain information to the relevant federal financial supervisory agency in order to assess the performance of the financial institution. (12 U.S.C. § 2903) An overall CRA rating is then assigned using a four-tiered system. (12 U.S.C. § 2906)

This bill requires a financial institution subject to the CRA to notify the Commissioner of Financial Institutions of the public availability of the current CRA rating of the financial institution as soon as the rating becomes publicly available. This bill requires the Division of Financial Institutions of the Department of Business and Industry to post the CRA rating for every financial institution subject to the CRA on its Internet website. This bill requires the Commissioner to submit an annual report to the Legislature, if the Legislature is in session, or the Legislative Commission, if the Legislature is not in session, that includes the name and CRA rating of each financial institution.



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

1 **Section 1.** Chapter 665 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *A financial institution subject to the Community*
4 *Reinvestment Act of 1977, 12 U.S.C. §§ 2901 to 2905, inclusive,*
5 *shall notify the Commissioner of the public availability of the*
6 *current CRA rating of the financial institution as soon as the CRA*
7 *rating becomes publicly available.*

8 2. *The Division of Financial Institutions shall post the*
9 *current CRA rating for every financial institution subject to the*
10 *Community Reinvestment Act of 1977, 12 U.S.C. §§ 2901 to 2905,*
11 *inclusive, on the Internet website of the Division.*

12 3. *Each year, the Commissioner shall submit a report that*
13 *includes the name of each financial institution subject to the*
14 *Community Reinvestment Act of 1977, 12 U.S.C. §§ 2901 to 2905,*
15 *inclusive, and the current CRA rating of each such financial*
16 *institution:*

17 (a) *To the Legislature, if the Legislature is in session; or*

18 (b) *To the Legislative Commission, if the Legislature is not in*
19 *session.*

20 4. *As used in this section, "CRA rating" means the rating*
21 *assigned to a financial institution pursuant to 12 U.S.C. § 2906.*

22 **Sec. 2.** The provisions of subsection 1 of NRS 218D.380 do
23 not apply to any provision of this act which adds or revises a
24 requirement to submit a report to the Legislature.

