

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.

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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 financial institutions; requiring certain financial institutions to notify the Commissioner of Financial Institutions once a certain rating of the financial institution is publicly available; requiring certain financial institutions to conduct and report to the Commissioner certain training sessions for community-based organizations; 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 a biennial report to the Legislative Commission relating to such ratings and such training sessions; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 The Community Reinvestment Act of 1977 (CRA) requires certain financial
2 institutions to provide certain information to the relevant federal financial
3 supervisory agency in order to assess the performance of the financial institution.
4 (12 U.S.C. § 2903) An overall CRA rating is then assigned using a four-tiered
5 system. (12 U.S.C. § 2906)

6 This bill requires a financial institution subject to the CRA to notify the
7 Commissioner of Financial Institutions of the public availability of the current CRA
8 rating of the financial institution as soon as the rating becomes publicly available.
9 This bill requires the Division of Financial Institutions of the Department of
10 Business and Industry to post the CRA rating for every financial institution subject
11 to the CRA on its Internet website. This bill further requires each such financial
12 institution to conduct training sessions concerning the CRA for persons and
13 organizations, including faith-based and consumer advocacy organizations, that
14 operate within the community served by the financial institution. This bill also



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requires each such financial institution to report to the Commissioner the number of such training sessions conducted by the financial institution each year. Finally, this bill requires the Commissioner to submit a biennial report to the Legislative Commission that includes: (1) the name and CRA rating of each financial institution; and (2) the number of training sessions concerning the CRA conducted by the financial institution each year.

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

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

1. A financial institution subject to the Community Reinvestment Act of 1977, 12 U.S.C. §§ 2901 to 2905, inclusive, shall:

(a) Notify the Commissioner of the public availability of the current CRA rating of the financial institution as soon as the CRA rating becomes publicly available.

(b) Conduct training sessions to provide information concerning the obligations imposed on the financial institution by the CRA for persons and organizations, including, without limitation, faith-based and consumer advocacy organizations, that operate within the community served by the financial institution. The financial institution must report to the Commissioner the number of such training sessions conducted by the financial institution each year.

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

3. Each even-numbered year, the Commissioner shall submit a report that includes:

(a) The name of each financial institution subject to the Community Reinvestment Act of 1977, 12 U.S.C. §§ 2901 to 2905, inclusive, and the current CRA rating of each such financial institution; and

(b) The number of training sessions required by this section that are conducted by each such financial institution each year.

4. The report required pursuant to subsection 3 must be submitted to the Legislative Commission.

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

Sec. 2. (Deleted by amendment.)

