

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 2350**

1 On page 1 of the printed A-engrossed bill, line 11, after “713.990” insert
2 “, 714.025, 714.035, 714.049, 714.054, 714.059, 714.064, 714.095”.

3 On page 46, after line 35, insert:

4 **“SECTION 88a.** ORS 714.025 is amended to read:

5 “714.025. (1)(a) A banking institution may establish and operate one or
6 more branches within or outside [*the State of Oregon*] **this state. Not later**
7 **than 30 days before** the board of directors of a banking institution [*desiring*
8 *to establish*] **establishes** a branch, **the banking institution** shall file [*an*
9 *application*] **a notice** with the Director of the Department of Consumer and
10 Business Services **that sets forth the name of the banking institution,**
11 **the proposed location of the branch and the date on which the branch**
12 **will begin operating.** [*The application shall be in the form the banking in-*
13 *stitution is required to file with the Federal Reserve System or the Federal*
14 *Deposit Insurance Corporation to establish a branch at such location, as the*
15 *case may be, or in such other form as the director may require. The application*
16 *shall be accompanied by a \$500 fee, which fee shall only apply to the estab-*
17 *lishment of new branches and not to the acquisition or relocation of existing*
18 *branches.*] The director shall promptly advise the banking institution if the
19 [*application*] **notice** is incomplete or if the director requires additional in-
20 formation.

21 **“(b) The director may limit or restrict a banking institution’s abil-**
22 **ity to establish an additional branch if the director determines that**

1 **establishing an additional branch would adversely affect the banking**
2 **institution’s safety and soundness. A banking institution may appeal**
3 **the director’s decision in a contested case proceeding in accordance**
4 **with ORS chapter 183.**

5 “(2) Mobile banking facilities described in ORS 714.035 and temporary
6 branches are [*considered*] branches for purposes of this section. A temporary
7 branch is a branch that operates for a period not to exceed 60 days, [*which*]
8 **a period** [*shall*] **that may** not be extended. The application fee for a tempo-
9 rary branch [*shall be*] **is** \$100. The director may establish rules regarding
10 temporary branches.

11 “(3) Branches to be located in other countries or to be located in de-
12 pendencies or insular possessions of the United States are subject to the re-
13 quirements of this section and ORS 714.045.

14 **“SECTION 88b.** ORS 714.035 is amended to read:

15 “714.035. A banking institution may, in accordance with ORS 714.025, es-
16 tablish one or more mobile facilities to engage in the banking business or
17 to transact trust business. Mobile banking facilities may operate within [*the*
18 *State of Oregon*] **this state** and in other states. [*An application under ORS*
19 *714.025 shall not be required for mobile facilities that exercise permissible*
20 *powers or engage in permissible activities that do not constitute engaging in*
21 *the banking business or transacting trust business. The application fee for each*
22 *facility is \$500.*]

23 **“SECTION 88c.** ORS 714.049 is amended to read:

24 “714.049. [(1)] The Director of the Department of Consumer and Business
25 Services shall investigate each [*application to establish a branch*] **notice that**
26 **a banking institution files under ORS 714.025.** With respect to [*applica-*
27 *tions covering*] **notices for** branches [*to be located*] **that the banking in-**
28 **stitution will locate** outside [*the State of Oregon*] **this state**, the director
29 shall promptly provide the local bank supervisory agency or regulator with
30 a copy of the [*application*] **notice** and an opportunity to comment on the

1 [application] notice. The director [shall] is not [be] bound by [any such] **the**
2 **local bank supervisory agency's or regulator's** comments.

3 “[2) In determining whether to approve or disapprove an application to
4 establish a branch, the director shall consider such factors as the director
5 deems appropriate, including the likely impact of the branch on the safety and
6 soundness of the banking institution, the adequacy of the capital of the bank-
7 ing institution, the institution's record of complying with applicable law, and
8 the results of supervisory examinations of the banking institution.]

9 “[3) The director's decision to disapprove an application is subject to ap-
10 peal in the manner provided in ORS 707.080 for the organization of an insti-
11 tution.]

12 **“SECTION 88d.** ORS 714.054 is amended to read:

13 “714.054. With respect to [applications] **notices** to establish branches in
14 [the State of Oregon] **this state** or [in a state outside of the State of Oregon]
15 **another state**, the Director of the Department of Consumer and Business
16 Services may [approve or disapprove the application, provided however, that]
17 **limit or restrict a banking institution's ability to establish a branch,**
18 **except that the director's** failure to [disapprove an application] **limit or**
19 **restrict the banking institution's ability to establish the branch** within
20 30 days after [receipt of] **receiving** a complete [application shall be deemed
21 an approval of the application] **notice is a decision not to limit or restrict**
22 **the banking institution's ability to establish the branch.** With respect
23 to [applications] **notices** by banking institutions to establish branches in
24 foreign countries or dependencies or insular possessions of the United States,
25 the director may [approve or disapprove an application, provided however,]
26 **limit or restrict a banking institution's ability to establish a branch,**
27 **except that the director's** failure to [disapprove an application] **limit or**
28 **restrict the banking institution's ability to establish the branch** within
29 90 days after [receipt of] **receiving** a complete [application shall be deemed
30 an approval of the application] **notice is a decision not to limit or restrict**

1 **the banking institution's ability to establish a branch.**

2 **"SECTION 88e.** ORS 714.059 is amended to read:

3 "714.059. [*Upon the request of*] **At** a banking [*institution*] **institution's**
4 **request**, the Director of the Department of Consumer and Business Services
5 shall issue and deliver a certificate [*authorizing each approved*] **to authorize**
6 **each branch for which the banking institution has given notice under**
7 **ORS 714.025** to conduct business.

8 **"SECTION 88f.** ORS 714.064 is amended to read:

9 "714.064. A branch shall commence business within one year after the
10 [*application for the branch has been approved or deemed approved by*] **bank-**
11 **ing institution files notice with** the Director of the Department of Con-
12 sumer and Business Services **under ORS 714.025**. The director may extend
13 **for one additional year** the period within which the **banking institution**
14 **may establish the** branch [*may open up to one additional year*]. If a branch
15 fails to commence business within the year or any extension of time [*granted*
16 *by*] the director **grants**, the [*approval of the application shall be deemed*
17 *withdrawn*] **director shall deem the banking institution to have with-**
18 **drawn the notice** and the branch may not open or operate.

19 **"SECTION 88g.** ORS 714.095 is amended to read:

20 "714.095. (1) An out-of-state bank may occupy and maintain [*its*] **the**
21 **out-of-state bank's** initial branches in this state if and only if [*the branches*
22 *are acquired by*] the out-of-state bank **acquires the branches** in accordance
23 with ORS chapters 711 and 713.

24 "(2) An out-of-state bank that is properly occupying and maintaining one
25 or more branches in [*Oregon*] **this state** in accordance with ORS chapters
26 711 and 713 may thereafter open, occupy and maintain one or more additional
27 branches in this state. [*The out-of-state bank shall not be required to file an*
28 *application under ORS 714.025 to establish such additional branches.*]

29 "(3) An out-of-state bank that acquires branches in accordance with ORS
30 chapters 711 and 713 [*shall be*] **is** entitled to exercise powers and engage in

1 activities at [*its*] **the out-of-state bank's** branches in this state as provided
2 in ORS 713.010 and applicable federal law.”.

3 In line 37, delete “that” and insert “with respect to which the banking
4 institution has not filed notice with”.

5 In line 38, after “Services” insert “under ORS 714.025” and delete the rest
6 of the line.

7 On page 50, line 26, after “713.990” insert “, 714.025, 714.035, 714.049,
8 714.054, 714.059, 714.064, 714.095”.

9 In line 38, after “713.990” insert “, 714.025, 714.035, 714.049, 714.054,
10 714.059, 714.064, 714.095”.

11 On page 51, line 9, after “713.990” insert “, 714.025, 714.035, 714.049,
12 714.054, 714.059, 714.064, 714.095”.

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