

SENATE BILL NO. 683

September 24, 1997, Introduced by Senator BOUCHARD and
referred to the Committee on Financial Services.

A bill to amend 1969 PA 319, entitled
"Banking code of 1969,"
by amending section 171 (MCL 487.471), as amended by 1997 PA 49.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 171. (1) Upon written notice to the commissioner, a
2 bank may establish and operate a branch or branches within any
3 state, the District of Columbia, or a territory or protectorate
4 of the United States unless the commissioner objects in writing
5 within 60 days after receipt of the written notice from the
6 bank. The commissioner may issue a written statement of intent
7 not to object at any time before the expiration of the 60 days.

8 (2) The notice of intent to establish a mobile branch shall
9 contain a statement by the applying bank that it intends to move
10 the location of the physical structure of the branch from time to
11 time.

1 (3) Except for a mobile branch, a branch of a bank shall not
2 be moved from 1 location to another without 30 days advance writ-
3 ten notice to the commissioner.

4 (4) Upon written notice to the commissioner, a bank may con-
5 tract with 1 or more banks, out-of-state banks, national banks,
6 associations, or savings banks to act as a branch to provide
7 services to the customers of the contracting bank unless the com-
8 missioner objects in writing within 60 days after receipt of the
9 written notice from the bank. The commissioner may issue a writ-
10 ten statement of intent not to object at any time prior to the
11 expiration of the 60 days. This subsection shall not be con-
12 strued to limit the powers granted to a bank under
13 section 151(31).

14 (5) Upon written notice to the commissioner, 1 or more
15 out-of-state banks, national banks, associations, or savings
16 banks may contract with a bank to provide services to the custom-
17 ers of the contracting out-of-state bank, national bank, associa-
18 tion, or savings bank, unless the commissioner objects in writing
19 within 60 days after receipt of the written notice. The commis-
20 sioner may issue a written statement of intent not to object at
21 any time before the expiration of the 60 days. This subsection
22 shall not be construed to limit the powers granted to a bank
23 under section 151(31).

24 (6) Subject to the requirements, limitations, and restric-
25 tions of subsections (1) to (3), a state agency or state foreign
26 bank branch organized under this act may establish and operate

1 additional offices in the United States and its territories and
2 protectorates.

3 (7) An out-of-state bank, FOREIGN BANK BRANCH, OR NATIONAL
4 BANK located in a state, the District of Columbia, or a territory
5 or protectorate of the United States whose laws permit the estab-
6 lishment in that state, district, territory, or protectorate of a
7 branch by a bank may establish and operate 1 or more branches in
8 this state.

9 (8) An out-of-state bank may apply to organize a branch in
10 this state under this act by providing to the commissioner proof
11 that its deposits are insured by an agency of the United States
12 government. If the commissioner determines ~~after receipt of~~
13 ~~this proof and the notices required under subsections (9) and~~
14 ~~(14),~~ that the out-of-state bank is safe and sound, that the
15 out-of-state bank is subject to regulation, and that there exists
16 an agreement for exchange of supervisory information between the
17 bureau and the out-of-state bank's regulator, the commissioner
18 shall provide to the out-of-state bank a certificate of organiza-
19 tion and eligibility to accept deposits and investments of public
20 funds of the state and local units of government.

21 ~~-(9) An out-of-state bank operating in this state shall des-~~
22 ~~ignate and maintain an agent located in this state upon whom pro-~~
23 ~~cess for judicial and administrative matters may be served and~~
24 ~~shall provide written notice containing the name and address of~~
25 ~~its agent to the commissioner before commencing operations in~~
26 ~~this state.~~

1 ~~(10) An out-of-state bank operating in this state shall~~
2 ~~notify the commissioner in writing of any change in its~~
3 ~~designated agent or the agent's address within 10 days following~~
4 ~~the effective date of the change.~~

5 (9) ~~-(11)-~~ A foreign bank branch that has designated a home
6 state other than Michigan may establish and operate 1 or more
7 additional offices in this state.

8 (10) ~~-(12)-~~ A foreign bank operating in this state shall
9 designate and maintain an agent located in this state upon whom
10 process for judicial and administrative matters may be served and
11 shall provide written notice containing the name and address of
12 its agent to the commissioner before commencing operations in
13 this state.

14 (11) ~~-(13)-~~ A foreign bank operating in this state shall
15 notify the commissioner in writing of any change in its desig-
16 nated agent or the agent's address within 10 days following the
17 effective date of the change.

18 (12) ~~-(14)-~~ Prior to commencing operations at a branch in
19 this state, an out-of-state bank or national bank shall file with
20 the commissioner ~~the~~ ITS name, ~~of the bank,~~ the street
21 address and mailing address, if different, of ~~the bank's~~ ITS
22 principal office, the street address of the branch office, and
23 the date when the branch is to commence operations in this
24 state.

25 (13) ~~-(15)-~~ An out-of-state bank and national bank operating
26 in this state shall designate and maintain an agent located in
27 this state upon whom process for judicial and administrative

1 matters may be served and shall provide written notice containing
2 the name and address of its agent to the commissioner before com-
3 mencing operations in this state.

4 (14) ~~—(16)—~~ An out-of-state bank or national bank operating
5 in this state shall notify the commissioner in writing of any
6 change in its designated agent or the agent's address within 10
7 days following the effective date of the change.