

SENATE BILL 745

By Johnson

AN ACT to amend Tennessee Code Annotated, Section
45-2-601, relative to banking.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-2-601, is amended by deleting the section and substituting instead the following:

(a) Subject to regulation by the commissioner and any restrictions expressly imposed by this chapter and chapter 1 of this title, any bank may enjoy any and all rights and may exercise any and all powers conferred upon banking corporations for profit by the Tennessee Business Corporation Act, compiled in title 48, chapters 11-27.

(b) A state bank may exercise any power or engage in any activity that it could exercise or engage in if it were a national bank, upon the same terms and conditions applicable to a national bank, subject to regulation by the commissioner for the purpose of maintaining the state bank's safety and soundness.

(c)

(1) A state bank may request a waiver or modification of the terms and conditions applicable to a national bank referenced in subsection (b) by filing an application containing the information required by the commissioner. The commissioner may grant the waiver or modification in whole or in part if the commissioner finds that the waiver or modification will support the state bank's ability to serve the citizens of this state, the state bank's ability to promote the economic progress of this state, and the state bank's safety and soundness. The

commissioner may impose terms or conditions as a condition of granting a waiver or modification under this subdivision (c)(1).

(2) A state bank may request the authority to exercise any incidental power or engage in any incidental activity that is reasonably necessary to enable the state bank to exercise a power or engage in an activity pursuant to subsection (b) by filing an application containing the information required by the commissioner. The commissioner may authorize the state bank to exercise the incidental power or engage in the incidental activity if the commissioner finds that exercising the incidental power or engaging in the incidental activity will support the state bank's ability to serve the citizens of this state, the state bank's ability to promote the economic progress of this state, and the state bank's safety and soundness. The commissioner may impose terms or conditions as a condition of granting authorization under this subdivision (c)(2).

(d)

(1) The commissioner shall publish a summary of each application submitted under subsection (c) that is approved by the commissioner, which must include only any waiver or modification of the terms or conditions applicable to a national bank; any authorized incidental power or activity; any terms or conditions imposed by the commissioner with respect to the waiver, modification, or authorization; and any other information as determined by the commissioner.

(2) Any state bank may exercise any power or engage in any activity specified in the summaries of approved waivers, modifications, and authorized incidental powers and activities published pursuant to subdivision (d)(1), upon the same terms and conditions imposed with respect to the waivers,

modifications, or authorizations, and subject to regulation by the commissioner for the purpose of maintaining the state bank's safety and soundness.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.