

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

A Bill

ACT 258 OF 1997
HOUSE BILL 1428

4
5 By: Representative Beatty
6 By: Senator Webb

For An Act To Be Entitled

9 "AN ACT TO ABOLISH THE SAVINGS AND LOAN ASSOCIATION BOARD
10 AND TO TRANSFER ALL POWERS, DUTIES AND RESPONSIBILITIES
11 THEREOF TO THE SUPERVISOR OF SAVINGS AND LOAN
12 ASSOCIATIONS; AND FOR OTHER PURPOSES."

Subtitle

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14
15 "AN ACT TO ABOLISH THE SAVINGS AND LOAN
16 ASSOCIATION BOARD AND TO TRANSFER ALL
17 POWERS, DUTIES AND RESPONSIBILITIES
18 THEREOF TO THE SUPERVISOR OF SAVINGS AND
19 LOAN ASSOCIATIONS."

20
21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

22
23 SECTION 1. Arkansas Code 23-37-201 is amended to read as follows:

24 "§ 23-37-201. Regulatory agencies generally.

25 All associations subject to this chapter shall be supervised and
26 regulated, and the provisions of this chapter shall be enforced, ~~by the~~
27 ~~Savings and Loan Association Board~~ and by the Supervisor of Savings and Loan
28 Associations, acting pursuant to the authority delegated by this chapter."

29
30 SECTION 2. Arkansas Code 23-37-203 is repealed in its entirety.

31 ~~§ 23-37-203. Savings and Loan Association Board - Creation - Members.~~

32 ~~(a) There is created a Savings and Loan Association Board, which shall~~
33 ~~be composed of six (6) members appointed by the Governor, with the advice and~~
34 ~~consent of the Senate, for a term of five (5) years.~~

35 ~~(1) At least three (3) members shall be persons with not less~~
36 ~~than two (2) years' experience as officers or directors of an association or a~~

1 ~~federal association.~~

2 ~~————— (2) Two (2) members may be persons who are officers or directors~~
 3 ~~of an association or a federal association.~~

4 ~~————— (3) One (1) member shall be a resident of this state who is not~~
 5 ~~actively engaged in or retired from the business of operating a savings and~~
 6 ~~loan association. The member, who shall be sixty (60) years of age or older,~~
 7 ~~shall represent the elderly. The member shall be a full voting member.~~

8 ~~————— (4) Each congressional district in the state shall be represented~~
 9 ~~by at least one (1) member of the board who shall be a resident of the~~
 10 ~~district. The elderly representative shall be appointed from the state at~~
 11 ~~large.~~

12 ~~———— (b) The Supervisor of Savings and Loan Associations shall be an ex~~
 13 ~~officio member of the board, and he shall serve as secretary of the board. The~~
 14 ~~supervisor shall not be entitled to vote or to participate in any~~
 15 ~~deliberations of the board arising out of an appeal from any action taken by~~
 16 ~~him.~~

17 ~~———— (c) The Governor shall fill any vacancy by the appointment of a member~~
 18 ~~for the unexpired term.~~

19 ~~———— (d) The terms of members of the board shall expire on January 14.~~

20 ~~———— (e) The board shall meet at least semiannually at the location, date,~~
 21 ~~and time fixed by members of the board.~~

22 ~~———— (f) Each board member may be paid hotel and traveling expenses plus~~
 23 ~~mileage for his actual attendance for board business in accordance with the~~
 24 ~~General Accounting and Budgetary Procedures Law, § 19-4-101 et seq., or travel~~
 25 ~~regulations and restrictions.~~

26 ~~———— (g) No member of the board shall participate in any deliberations of~~
 27 ~~the board or vote in any matters in which he has a direct or indirect~~
 28 ~~financial interest, nor shall any member of the board who is a stockholder,~~
 29 ~~employee, or officer of an association participate in any deliberations of the~~
 30 ~~board or vote in any matters involving:~~

31 ~~————— (1) Such association; or~~

32 ~~————— (2) Any application for a branch office of an existing~~
 33 ~~association or for a charter for a proposed association in a city in which his~~
 34 ~~association makes loans.~~

35 ~~———— (h)(1) When any member of the Savings and Loan Association Board is~~
 36 ~~disqualified for any reason to hear and participate in the determination of~~

1 ~~any matter pending before the board, the Governor shall appoint a qualified~~
 2 ~~person to hear and participate in the decision on the particular matter.~~

3 ~~————— (2) The special board member so appointed shall have all~~
 4 ~~authority and responsibility with respect to the particular matter before the~~
 5 ~~board of a regular board member but shall have no authority or responsibility~~
 6 ~~with respect to any other matter before the board.~~

7 ~~————— (3) A person appointed as a special board member pursuant to the~~
 8 ~~provisions of this subsection shall be entitled to receive a per diem not to~~
 9 ~~exceed seventy-five dollars (\$75.00) for each day spent in attending to duties~~
 10 ~~as a special board member. The compensation shall be paid from any funds of~~
 11 ~~the board which are available for or may legally be used for paying the per~~
 12 ~~diem.~~

13

14 SECTION 3. Arkansas Code 23-37-204 is amended to read as follows:

15 "§ 23-37-204. Officers and records of board.

16 ~~———— (a) The board shall elect a chairman and make any other provisions for~~
 17 ~~the orderly conduct of its business which it deems necessary.~~

18 ~~———— (b) The board shall maintain, in the office of the Supervisor of~~
 19 ~~Savings and Loan Associations, shall maintain permanent records of its all~~
 20 ~~hearings and decisions."~~

21

22 SECTION 4. Arkansas Code 23-37-205 is repealed in its entirety.

23 ~~———— § 23-37-205. Powers and duties of board.~~

24 ~~———— (a) The Savings and Loan Association Board shall have such rights,~~
 25 ~~powers, and privileges, and shall be subject to such duties, as are provided~~
 26 ~~by this chapter.~~

27 ~~———— (b) The board shall hear all those matters not delegated to the~~
 28 ~~supervisor in this chapter or delegated to the supervisor by rule or order of~~
 29 ~~the board.~~

30 ~~———— (c)(1) The board shall hear all applications for charters for new~~
 31 ~~associations, all protested applications for new branches, those matters~~
 32 ~~concerning a protested move of the home office or a branch office, and any~~
 33 ~~conversion application by an association.~~

34 ~~———— (2) When an application is filed, the notice requirements of this~~
 35 ~~chapter will be met.~~

36 ~~———— (d)(1) The board, after public hearing, notice of which has been given~~

1 ~~to every association in the state, shall have power and authority to issue~~
 2 ~~rules and regulations governing the operation of associations in a manner~~
 3 ~~consistent with this chapter and other applicable Arkansas laws.~~

4 ~~————— (2) These rules and regulations may from time to time be amended,~~
 5 ~~modified, or repealed by the board and shall have uniform application to all~~
 6 ~~associations subject to the provisions of this chapter.~~

7 ~~———— (e) Any person affected or who may be affected by an action of the~~
 8 ~~board shall be given the opportunity of appearing and presenting evidence~~
 9 ~~before the board.~~

10

11 SECTION 5. Arkansas Code 23-37-207(b) is amended to read as follows:

12 "(b) In order to fulfill his responsibilities, the supervisor shall
 13 have the following powers, duties, limitations, and functions:

14 (1) ~~He shall provide adequate quarters and personnel for use by~~
 15 ~~the board;~~ He shall have all the rights, powers, and privileges heretofore
 16 vested in the Savings and Loan Association Board, and be subject to all duties
 17 to which the Savings and Loan Association Board was heretofore subject;

18 (2) He shall, in such coordination with the Federal Home Loan
 19 Bank Board, the Federal ~~Savings and Loan~~ Deposit Insurance Corporation, and
 20 other federal and state regulatory authorities as he deems appropriate,
 21 provide for the orderly examination and supervision of associations regulated
 22 by this chapter. All federal records, documents, and examinations received by
 23 the supervisor are not public unless released by the appropriate federal
 24 agency;

25 (3) He, or any designated assistant, ~~may~~ shall hear all
 26 applications for charters for new associations, all protested applications for
 27 new branches, those matters concerning a protested move of the home office or
 28 a branch office, any conversion application by an association, and all act as
 29 ~~a hearing officer on preliminary, interim, or other administrative matters to~~
 30 ~~be heard by the board under this chapter. In that capacity, each~~
 31 Administrative decision decisions of the supervisor ~~is~~ are subject to appeal
 32 ~~to the board;~~ as set forth in § 23-37-214.

33 ~~———— (4) (c)(1) The supervisor, after public hearing, notice of which~~
 34 ~~has been given to every association in the state, shall have power and~~
 35 ~~authority to issue rules and regulations governing the operation of~~
 36 ~~associations in a manner consistent with this chapter and other applicable~~

1 Arkansas laws. In addition, ~~He~~ he shall have the power to make and promulgate
 2 any forms which are necessary for the administration of this chapter.

3 (2) These rules and regulations may from time to time be amended,
 4 modified, or repealed by the board and shall have uniform application to all
 5 associations subject to the provisions of this chapter.

6 (d) Any person affected or who may be affected by an action of the
 7 supervisor shall be given the opportunity of appearing and presenting evidence
 8 before the supervisor."

9

10 SECTION 6. Arkansas Code 23-37-213 is repealed in its entirety.

11 ~~§ 23-37-213. Appeal to board from action of supervisor.~~

12 ~~— (a) An association or any other affected party may appeal to the board~~
 13 ~~from any action taken by the supervisor, or any failure of the supervisor to~~
 14 ~~act, by filing in the office of the supervisor, within thirty (30) days after~~
 15 ~~the action or failure to act has occurred, a statement of the objections~~
 16 ~~taken.~~

17 ~~— (b) The supervisor shall forthwith send by mail a copy of the~~
 18 ~~objections to each member of the board.~~

19 ~~— (c) The chairman may set a special hearing date to hear the matter or~~
 20 ~~may allow the matter to be placed on the agenda for the next properly~~
 21 ~~scheduled hearing date of the board.~~

22 ~~— (d) The board may take any action which it deems appropriate on each~~
 23 ~~appeal.~~

24 ~~— (e) The findings of fact by the board shall be final, subject to review~~
 25 ~~by the courts in accordance with the provisions of § 23-37-214.~~

26

27 SECTION 7. Arkansas Code 23-37-309 is amended to read as follows:

28 "§ 23-37-309. Hearings on charter applications.

29 When a proper application for a charter has been filed, the ~~Savings and~~
 30 ~~Loan Association Board~~ supervisor shall hold a public hearing on the
 31 application, after giving not less than twenty (20) days' written notice of
 32 the date and time of hearing to each existing association or federal
 33 association in the state ~~and to the supervisor.~~ Such notice shall be made
 34 promptly after the filing of an application. At the hearing, any interested
 35 party may appear, present evidence, and be heard for or against the
 36 application."

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SECTION 8. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 9. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 10. All laws and parts of laws in conflict with this act are hereby repealed.

APPROVED: 2-24-97