



Arkansas State Bank Department

Candace A. Franks
Commissioner

Asa Hutchinson
Governor

October 29, 2019

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BUREAU OF
LEGISLATIVE RESEARCH

Senator Cecile Bledsoe
Representative Jeff Wardlaw
Co-Chairs of Arkansas Legislative Council
One Capitol Mall, 5th Floor
Little Rock, AR 72201

RE: Rule Change under Act 893 of 2019

Dear Senator Bledsoe and Representative Wardlaw:

Act 893 of 2019 waives an agency's compliance with the Arkansas Administrative Procedures Act if (1) the only change to an existing rule is the removal of the term "regulation", (2) the agency files the updated rule with the Arkansas Secretary of State (SOS) on or before January 1, 2020, and (3) a letter is provided to Arkansas Legislative Council the name of the rule, a brief description of the rule, an affirmative statement that the removal of the term "regulation" was the only change to the rule, and that the rule was filed with the SOS.

In accordance with Section (e) of Act 893 of 2019, the term "regulation" has been amended out of the following Arkansas State Bank Department (ASBD) rules:

Rule 46-402.1 – Meetings of the Board; Regular Meeting Dates. This rule establishes the date and time on which the four regular meetings of the State Banking Board will be held each year. The only change to this rule was to remove the term "regulation" from the second paragraph of the rule and replace it with the term "rule".

Rule 47-401.4 – Trading Account. This rule requires banks that choose to open a trading account to establish a written policy setting forth guidelines for the purchases and sales made through the trading account. The only change to this rule was to remove the words "and regulation" from the phrase "rule and regulation" in Section J of the rule.

Rule 47-701.9 – Fiduciary Power of State Banks. This rule regulates the operation of a trust department by a state chartered bank. The only change to this rule was removing the term "regulation" and replacing it with the term "rule" in six places: Section (a); Section (f)(3); Section (f)(4); Section (g)(2)(C); Section (g)(3); and, Section (H)(2)(A).

Rule 48-322.2 – Officer or Director Removal. This rule details the manner in which the Bank Commissioner may remove a bank officer or director for violating state or federal law, ASBD rules, or basic principles of safety and soundness in the operation of a bank. The only change to this rule was removing the words “and Regulations” from the phrase “Rules and Regulations” in the first sentence of the rule.

Rule 48-702.1 – Relocation of Existing Full Service Branch. This rule establishes the procedure by which a state chartered bank may relocate a branch office. The only change to this rule was to remove the term “regulation” and replace it with the term “rule” in Section (a) of the rule.

Rule 48-702.2 – Short Distance Relocation. This rule establishes the procedure by which a state chartered bank may make a short distance relocation of a branch office. The only change to this rule was to remove the term “regulation” and replace it with the term “rule” in Section (a)(1) of the rule.

Rule 48-703.1 – Expedited, Standard, and Mobile Branch Application Procedures. This rule establishes the procedures for filing applications for expedited, standard, and mobile branches. The only change to this rule was removing the term “regulation” and replacing it with the term “rule” in four places: Section (b)(1); Section (b)(2); Section (b)(3); and, Section (d).

Other than those changes detailed above, I affirm that no other changes of any kind have been made to ASBD’s rules through the Act 893 process.

The updated rules listed above were filed with the SOS on August 26, 2019.

If you have any questions or require additional information, please do not hesitate to contact me.

Thank you for your time and consideration.

Sincerely,



John Ahlen
Deputy Commissioner
& Chief Counsel

JWA/aph

Attachments



Arkansas State Bank Department

Candace A. Franks
Commissioner

Asa Hutchinson
Governor

August 23, 2019

The Honorable John Thurston
Secretary of State
500 Woodlane, Suite 026
Little Rock, Arkansas 72201-1094

Dear Secretary Thurston:

I am writing to notify your office that within seven (7) Arkansas State Bank Department rules the word "regulation" has been removed, in accordance with Act 893 of 2019. The rules are:

1. Rule 46-402.1 Meetings of the Board; Regular Meeting Dates
2. Rule 47-401.4 Trading Account
3. Rule 47-701.9 Fiduciary Powers of State Banks
4. Rule 48-322.2 Officer or Director Removal
5. Rule 48-702.1 Relocation of Existing Full Service Branch
6. Rule 48-702.2 Short Distance Relocation
7. Rule 48-703.1 Expedited, Standard, and Mobile Branch Application Procedures

Please find copies of the amended rules attached. If you have any questions or require additional information to update our rules on file with your office, please contact us.

Sincerely,

John Ahlen
Deputy Commissioner &
Chief Counsel

JWA/aph

Attachments

FILED
 AR REGISTER DIV.
 2019 AUG 26 AM 11:40
 SECRETARY OF STATE
 STATE OF ARKANSAS