

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009
4

A Bill

HOUSE BILL 1433

5 By: Representative Maloch
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For An Act To Be Entitled

9 AN ACT TO AUTHORIZE THE BANK COMMISSIONER TO TAKE
10 APPROPRIATE ACTIONS TO DEAL WITH EMERGENCIES; AND
11 FOR OTHER PURPOSES.
12

Subtitle

13 TO AUTHORIZE THE BANK COMMISSIONER TO
14 TAKE APPROPRIATE ACTIONS TO DEAL WITH
15 EMERGENCIES.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code Title 23, Chapter 46, Subchapter 2 is amended
22 to add an additional section to read as follows:

23 23-46-212. Emergency powers of Bank Commissioner – Legislative
24 findings and intent – Definitions.

25 (a) The General Assembly:

26 (1) Finds that in the event of an emergency the Bank
27 Commissioner should be authorized to take appropriate action to expedite the
28 recovery of a community affected by the emergency and to encourage banks to
29 meet the credit, deposit, and other financial needs of the community; and

30 (2) Intends by the enactment of this section to authorize the
31 commissioner when warranted by a state of emergency to assist the affected
32 community by:

33 (A) Declaring with the consent of the Governor a state of
34 emergency;

35 (B) Temporarily modifying or suspending banking laws,
36 regulations, or requirements; and



1 (C) Taking any other action appropriate to assist affected
2 banks so that:

3 (i) Customary banking services can continue to be
4 provided; and

5 (ii) Financial stability can be maintained.

6 (b) As used in this section:

7 (1) "Affected area" means the geographic location described in a
8 proclamation by the commissioner declaring a state of emergency;

9 (2) "Affected bank" means a bank with an office in the
10 geographic location described in a proclamation by the commissioner declaring
11 a state of emergency;

12 (3) "Office" means a physical location where a bank transacts
13 business or conducts banking operations;

14 (4) "Officer" means:

15 (A) A person designated by the board of directors, board
16 of trustees, or other governing body of a bank to act for the bank under this
17 section; or

18 (B) The president or other person in charge of an office
19 if:

20 (i) A designation under subdivision (b)(4)(A) of
21 this section has not been made; or

22 (ii) An officer designated under subdivision
23 (b)(4)(A) of this section is not available; and

24 (5)(A) "State of emergency" means a natural or man-made
25 occurrence or condition that may:

26 (i) Affect the ability of a bank to conduct normal
27 business operations; or

28 (ii) Pose a threat to the safety or security of a
29 person or property.

30 (B) "State of emergency" includes, without limitation, an
31 occurrence or condition caused by:

32 (i) A natural disaster;

33 (ii) A tornado;

34 (iii) A storm;

35 (iv) A flood;

36 (v) High water;

1 temporary office by the affected bank will help meet the credit, deposit, and
2 other financial needs of the customers of the affected area, the commissioner
3 may authorize the affected bank by written order to open a temporary office
4 either within the state or at a location in another state.

5 (B) The temporary office may be a mobile branch, temporary
6 office space, or any other facility approved by the commissioner.

7 (2) The formal application process, requirements, and fees for
8 opening a temporary office may be suspended when a state of emergency exists.

9 (3) A temporary office opened under this section may not here
10 remain open until the commissioner with the consent of the Governor declares
11 that the state of emergency no longer exists unless written permission to
12 remain open is granted by the commissioner upon application by an affected
13 bank to establish an office at the site of the temporary office.

14 (f)(1) An order issued by the commissioner under this section becomes
15 effective upon issuance and continues for one hundred twenty (120) days or
16 unless terminated sooner by the commissioner.

17 (2) The commissioner may extend an order issued under this
18 section for an additional period not to exceed one hundred twenty (120) days
19 if the commissioner with the consent of the Governor finds that the existing
20 state of emergency continues or that a new state of emergency exists.

21 (g) The commissioner may by rule:

22 (1) Adopt additional procedures to implement this section; and

23 (2) Impose sanctions under § 23-46-205 for a violation of this
24 section.

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