

## Session 123 - (2019-2020)

### S 1115 General Bill, By Cromer and Bennett

#### *Similar (S 1107)*

**Summary:** Banks; provide requirements and conditions for organizing a bank; other provisions

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 34-1-150 SO AS TO PROVIDE REQUIREMENTS FOR AN APPLICANT SEEKING PERMISSION TO ORGANIZE A BANK; BY ADDING SECTION 34-1-160 SO AS TO PROVIDE CONDITIONS THAT MUST BE MET IN ORDER TO AUTHORIZE THE ORGANIZATION OF A PROPOSED BANK; BY ADDING SECTION 34-1-170 SO AS TO PROVIDE FOR THE REQUIREMENTS OF THE ARTICLES OF INCORPORATION OF A PROPOSED BANK; BY ADDING SECTION 34-1-180 SO AS TO PROVIDE THE REQUIREMENTS FOR THE BOARD OF FINANCIAL INSTITUTIONS TO APPROVE A CHARTER FOR A PROPOSED BANK; BY ADDING SECTION 34-1-190 SO AS TO PROVIDE THAT THE BOARD SHALL DECIDE WHETHER TO UPHOLD OR OVERTURN ITS APPROVAL OR DENIAL OF AN APPLICATION; BY ADDING SECTION 34-1-200 SO AS TO PROVIDE THE REQUIREMENTS FOR ISSUING A BANK CHARTER; BY ADDING SECTION 34-1-210 SO AS TO PROVIDE THAT A REMOTE SERVICE UNIT IS NOT CONSIDERED A BRANCH OF A BANK; TO AMEND SECTION 34-3-350, RELATING TO THE REVIEW OF REPORTS OF EXAMINATIONS, SO AS TO PROVIDE THAT THE COMMISSIONER OF BANKING SHALL FORWARD A COPY OF THE REPORT TO THE CHIEF EXECUTIVE; TO AMEND SECTION 34-3-360, RELATING TO THE FORM OF NOTICE TO A CASHIER, SO AS TO REPLACE "STATE BOARD OF BANK CONTROL" WITH "COMMISSIONER OF BANKING" AND TO REPLACE "CASHIER" WITH "CHIEF EXECUTIVE"; TO AMEND SECTION 34-3-370, RELATING TO THE FORM OF REPORT TO THE STATE BOARD, SO AS TO REPLACE "STATE BOARD OF BANK CONTROL" WITH "COMMISSIONER OF BANKING" AND TO REPLACE "PRESIDENT OR CASHIER" WITH "CHIEF EXECUTIVE"; TO AMEND SECTION 34-3-380, RELATING TO REPORTS OF CONDITION, SO AS TO REPLACE "PRESIDENT OR CASHIER" WITH "CHIEF EXECUTIVE OR CHIEF FINANCIAL OFFICER" AND TO PROVIDE THAT TWO DIRECTORS SHALL VERIFY THE REPORT; TO AMEND SECTION 34-3-810, RELATING TO THE CONVERSION OF A NATIONAL BANK OR NON-SOUTH CAROLINA STATE BANK INTO A SOUTH CAROLINA STATE BANK, SO AS TO PERMIT ANOTHER STATE'S BANK TO CONVERT INTO A SOUTH CAROLINA STATE BANK AND TO REQUIRE BOARD APPROVAL AND TO REQUIRE A NATIONAL OR OTHER STATE BANKING CORPORATION TO FILE AN APPLICATION OF CONVERSION; TO AMEND SECTION 34-3-820, RELATING TO THE TIMING OF THE CORPORATE EXISTENCE OF THE STATE BANK, SO AS TO INCLUDE REFERENCES TO A NON-SOUTH CAROLINA STATE BANK CONVERTING TO A SOUTH CAROLINA STATE BANK; TO AMEND SECTION 34-3-830, RELATING TO THE TRANSFER OF ASSETS TO THE SOUTH CAROLINA STATE BANK, SO AS TO INCLUDE REFERENCES TO A NON-SOUTH CAROLINA STATE BANK CONVERTING TO A SOUTH CAROLINA STATE BANK; TO AMEND SECTION 34-3-840, RELATING TO THE DIRECTORS AND ORGANIZATION OF A NATIONAL BANKING CORPORATION OR STATE BANKING CORPORATION, SO AS TO PROVIDE THAT UNLESS OTHERWISE ELECTED BY THE SHAREHOLDERS OF THE NATIONAL BANKING CORPORATION OR STATE BANKING CORPORATION, THE DIRECTORS AND OFFICERS IN OFFICE AT THE TIME OF ITS DISSOLUTION ARE THE DIRECTORS AND OFFICERS OF THE BANK CREATED; TO AMEND SECTION 34-9-10, RELATING TO THE AMOUNT OF CAPITAL STOCK TO BE PAID IN CASH, SO AS TO PROVIDE PAYMENT OF UNITED STATES CURRENCY AND TO DELETE A PROVISION THAT REQUIRES NO AUTHORIZED BUT UNISSUED CAPITAL STOCK MAY BE ISSUED WITHOUT APPROVAL BY THE BOARD; TO AMEND SECTION 34-9-40, RELATING TO MINIMUM CAPITAL STOCK REQUIREMENTS, SO AS TO PROVIDE THAT A BANKING COMPANY OR CORPORATION MUST HAVE MINIMUM CAPITAL IN THE AMOUNT REQUIRED BY THE STATE BOARD OF FINANCIAL INSTITUTIONS; TO AMEND SECTION 34-11-60, RELATING TO FRAUDULENT CHECKS, SO AS TO REMOVE THE REQUIREMENT THAT A HOME TELEPHONE NUMBER IS NECESSARY TO ESTABLISH PRIMA FACIE EVIDENCE AGAINST A DEFENDANT; TO AMEND SECTION 34-13-140, RELATING TO THE RESTRICTIONS ON LOAN OR DISCOUNT ON OR PURCHASE OF A BANK'S OWN STOCK, SO AS TO PROVIDE AN EXCEPTION TO THE RESTRICTION IF THE PURCHASE IS APPROVED BY THE BOARD OF FINANCIAL INSTITUTIONS OR IF THE BANKING ASSOCIATION HOLDS THE OUTSTANDING SHARES AS TREASURY STOCK; TO AMEND SECTION 34-26-350, RELATING TO THE PRINCIPAL PLACE OF BUSINESS OF A CREDIT UNION, SO AS TO PROVIDE THAT THE MAINTENANCE OF THE FACILITY MUST BE REASONABLY NECESSARY TO FURNISH SERVICE TO ITS MEMBERS OR POTENTIAL MEMBERS; TO AMEND SECTION 34-26-530, RELATING TO AN APPLICATION FOR MEMBERSHIP TO A CREDIT UNION, SO AS TO REMOVE A REQUIREMENT FOR MEMBERSHIP OFFICERS TO APPROVE APPLICATIONS; TO AMEND SECTION 34-26-640, RELATING TO BOARD MEETINGS, SO AS TO PROVIDE THAT THE BOARD MUST MEET AT LEAST QUARTERLY; TO AMEND SECTION 34-26-645, RELATING TO THE DUTIES OF THE BOARD, SO AS TO REMOVE THE DUTY TO ESTABLISH TITLES FOR SENIOR MANAGEMENT POSITIONS; TO AMEND SECTION 34-26-1220, RELATING TO THE CONVERSION OF A CREDIT

UNION, SO AS TO PROVIDE THAT THE ASSETS AND LIABILITIES OF THE CREDIT UNION WILL VEST IN AND BECOME THE PROPERTY OF THE SUCCESSOR CREDIT UNION; TO REPEAL CHAPTER 12 OF TITLE 34 RELATING TO COUNTY AND MULTI-COUNTY CHECK CLEARING HOUSES; TO REPEAL SECTION 34-1-70 RELATING TO THE APPROVAL OF CHARTERS OF BANKS, BUILDING AND LOAN ASSOCIATIONS, SAVINGS AND LOAN ASSOCIATIONS, AND SAVINGS BANKS; TO REPEAL SECTION 34-3-60 RELATING TO BRANCH BANK IDENTIFICATION; TO REPEAL SECTION 34-9-70 RELATING TO CERTAIN PAID-IN CAPITAL REQUIREMENTS AND EXCEPTIONS; TO REPEAL SECTION 34-9-80 RELATING TO THE ISSUANCE OF PREFERRED STOCK; TO REPEAL SECTION 34-11-40 RELATING TO THE DUPLICATE FOR LOST OR DESTROYED TIME CERTIFICATE OF DEPOSITS; AND TO REPEAL SECTION 34-11-50 RELATING TO THE DUPLICATE FOR ANY LOST OR DESTROYED CERTIFICATE OF DEPOSIT OR SAVINGS ACCOUNT BOOK.

- 02/19/20 Senate Introduced and read first time (Senate Journal-page 3)**
- 02/19/20 Senate Referred to Committee on Banking and Insurance (Senate Journal-page 3)**
- 03/11/20 Senate Committee report: Favorable Banking and Insurance (Senate Journal-page 7)**
- 03/12/20 Scrivener's error corrected**
- 05/12/20 Senate Read second time (Senate Journal-page 52)**
- 05/12/20 Senate Roll call Ayes-37 Nays-0 (Senate Journal-page 52)**
- 05/12/20 Senate Unanimous consent for third reading on next legislative day (Senate Journal-page 52)**
- 05/13/20 Senate Read third time and sent to House (Senate Journal-page 5)**
- 06/24/20 House Introduced and read first time (House Journal-page 33)**
- 06/24/20 House Referred to Committee on Labor, Commerce and Industry (House Journal-page 33)**