

2020 Regular Session

HOUSE BILL NO. 284

BY REPRESENTATIVE DAVIS

1 AN ACT

2 To amend and reenact R.S. 6:2(2), 452, and 532(6) and to enact R.S. 6:453 and 454, relative  
3 to financial institutions; to provide for loan production offices; to provide for deposit  
4 production offices; to provide definitions; to require written notification; to provide  
5 for objections; to provide for powers of the commissioner; to provide for rules and  
6 regulations; to provide for permissible activity; to provide for compliance; to provide  
7 for combined offices; to provide for electronic financial terminals; and to provide for  
8 related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 6:2(2), 452, and 532(6) are hereby amended and reenacted and R.S.  
11 6:453 and 454 are hereby enacted to read as follows:

12 §2. General definitions

13 As used in this law:

14 \* \* \*

15 (2) "Branch" or "branch office" means any manned office of a bank,  
16 including a branch of an out-of-state bank, other than an automated teller machine,  
17 electronic fund transfer terminal, point of sale terminal, or similar device or terminal.

18 The term "branch" or "branch office" shall not include a loan production office or  
19 deposit production office or any combination thereof.

20 \* \* \*

1            §452. Loan production offices; power of commissioner to adopt rules and  
2            regulations

3            A.(1) Any Louisiana state-chartered bank, savings bank, or savings and loan  
4            association, or a wholly owned operating subsidiary of such bank, savings bank, or  
5            savings and loan association, may open one or more loan production offices. Prior  
6            to opening a loan production office, the financial institution shall give written notice  
7            to the commissioner. Upon receiving the written notice, the commissioner has  
8            forty-five days to object. If the commissioner does not raise a timely objection, the  
9            financial institution may proceed with opening the loan production office. If the  
10           commissioner raises an objection, the commissioner shall, upon request, notify the  
11           financial institution in writing as to the nature of the objection.

12           (2) "Loan production office" means a physically manned location, other than  
13           the main office or branch office of a bank, savings bank, or savings and loan  
14           association, with the authority to conduct the solicitation and origination of  
15           applications for loans.

16           B. The commissioner shall authorize permissible activities of a loan  
17           production office by rule or regulation. The commissioner shall have the right, and  
18           is empowered to promulgate any rules, regulations, ~~applications~~, filing procedures,  
19           instructions, and fees that he deems necessary for the creation of loan production  
20           offices in the state.

21           C. Notwithstanding Subsections A and B of this Section, or any other law,  
22           rule, or regulation to the contrary, any state-chartered bank, savings bank, or savings  
23           and loan association may seek to conduct any activity at a loan production office that  
24           is a permissible activity for a loan production office of a national bank by complying  
25           with R.S. 6:242(C).

26           §453. Deposit production offices; power of commissioner to adopt rules and  
27           regulations

28           A.(1) Any Louisiana state-chartered bank, savings bank, or savings and loan  
29           association, or a wholly owned operating subsidiary of such bank, savings bank, or  
30           savings and loan association, may open one or more deposit production offices. Prior

1 to opening a deposit production office, the financial institution shall give written  
 2 notice to the commissioner. Upon receiving the written notice, the commissioner has  
 3 forty-five days to object. If the commissioner does not raise a timely objection, the  
 4 financial institution may proceed with opening the deposit production office. If the  
 5 commissioner raises an objection, the commissioner shall, upon request, notify the  
 6 financial institution in writing as to the nature of his objection.

7 (2) "Deposit production office" means a physically manned location, other  
 8 than the main office or branch office of a bank, savings bank, or savings and loan  
 9 association, with the authority to solicit deposits, provide information about deposit  
 10 products, and assist persons in completing application forms and related documents  
 11 to open deposit accounts.

12 B. The commissioner shall authorize permissible activities of a deposit  
 13 production office by rule or regulation. The commissioner shall have the right, and  
 14 is empowered to promulgate any rules, regulations, filing procedures, instructions,  
 15 and fees that he deems necessary for the creation of deposit production offices in the  
 16 state.

17 C. Notwithstanding Subsections A and B of this Section, or any other law,  
 18 rule, or regulation to the contrary, any state-chartered bank, savings bank, or savings  
 19 and loan association may seek to conduct any activity at a deposit production office  
 20 that is a permissible activity for a deposit production office of a national bank by  
 21 complying with R.S. 6:242(C).

22 §454. Combination of loan production office; deposit production office; and  
 23 electronic financial terminal

24 Any Louisiana state-chartered bank, savings bank, or savings and loan  
 25 association may operate, at the same location, a loan production office, a deposit  
 26 production office, and an electronic financial terminal, or any combination of these  
 27 facilities, and it shall not be considered a branch. Prior to opening a combined loan  
 28 production office, deposit production office, and electronic financial terminal, the  
 29 financial institution shall give written notice to the commissioner. Prior to opening  
 30 a combined loan production office and deposit production office, a financial

1 institution may satisfy the notice requirements of R.S. 6:452 and 453 by giving one  
 2 combined written notice to the commissioner. Upon receiving the written notice, the  
 3 commissioner has forty-five days to object. If the commissioner does not raise a  
 4 timely objection, the financial institution may proceed with opening the combined  
 5 office. If the commissioner raises an objection, the commissioner shall, upon  
 6 request, notify the financial institution in writing as to the nature of the objection.

7 \* \* \*

8 §532. Definitions

9 As used in this Part, unless the context otherwise requires, the term:

10 \* \* \*

11 (6) "Branch" and "branch office" means any manned office of a bank but  
 12 shall not include a trust production office, an automated teller machine, electronic  
 13 funds transfer terminal, point of sale terminal, or similar electronic device or  
 14 terminal, ~~but shall not include a loan or trust production office.~~ The term "branch"  
 15 or "branch office" shall not include a loan production office or deposit production  
 16 office or any combination thereof.

17 \* \* \*

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_