

RÉSUMÉ DIGEST

ACT 183 (HB 284)

2020 Regular Session

Davis

Relative to financial institutions, existing law defines "branch" and "branch office".

New law clarifies that a "branch" or "branch office" shall not include a loan production office or deposit production office.

New law defines "loan production office" and "deposit production office".

Prior law allowed the commissioner of the office of financial institutions (hereinafter commissioner) to promulgate any rules, regulations, applications, filing procedures, instructions, and fees that he deemed necessary for the creation of loan production offices.

New law limits the powers granted to the commissioner in prior law by removing the commissioner's power to create applications for the creation of loan production offices.

New law requires the commissioner to authorize permissible activities of a loan production office or deposit production office by rule or regulation.

New law allows the commissioner to promulgate any rules, regulations, filing procedures, instructions, and fees that he deems necessary for the creation of deposit production offices.

New law allows certain financial institutions to open one or more loan production offices or deposit production offices.

New law requires these financial institutions to give written notice to the commissioner prior to opening a loan production office or deposit production office. Upon receiving the written notice, new law allows the commissioner 45 days to object.

If the commissioner does not object, new law allows the financial institution to proceed with opening the loan production office or deposit production office.

If the commissioner does object, new law requires the commissioner, upon request, to notify the financial institution in writing as to the nature of the objection.

New law allows a financial institution which is opening a combined loan production and deposit production office to satisfy the notice required by new law by submitting one combined written notice.

New law allows certain financial institutions to conduct any activity at a loan production office or deposit production office that is a permissible activity for a loan production office or deposit production office of a national bank, by complying with existing law.

New law allows certain financial institutions to operate, at the same location, a loan production office, a deposit production office, and an electronic financial terminal, or any combination of these facilities, and new law provides that these facilities are not to be considered a branch.

New law requires the financial institution to give written notice to the commissioner, prior to opening a combined office. New law provides the commissioner 45 days to object. If the commissioner does not object, new law allows the financial institution to open the combined office. If the commissioner does object, new law requires him to, upon request, notify the financial institution as to the nature of the objection.

Effective Aug. 1, 2020.

(Amends R.S. 6:2(2), 452, and 532(6); Adds R.S. 6:453 and 454)