

CHAPTER NO. 79.

SENATE BILL NO. 55

INTRODUCED BY HAZELBAKER, GOODOVER

BY REQUEST OF THE DEPARTMENT OF BUSINESS REGULATION

IN THE SENATE

January 10, 1979	Introduced and referred to Committee on Business and Industry.
	On motion, Senators Hazelbaker, Goodover were added as authors to the prefiled bill.
January 20, 1979	Committee recommend bill do pass as amended. Report adopted.
January 22, 1979	Printed and placed on members' desks.
January 23, 1979	Second reading, do pass.
January 24, 1979	Considered correctly engrossed.
January 25, 1979	Third reading, passed. Transmitted to second house.

IN THE HOUSE

January 26, 1979	Introduced and referred to Committee on Business and Industry.
March 1, 1979	Committee recommend bill be concurred in. Report adopted.
March 2, 1979	Second reading, concurred in.
March 5, 1979	Third reading, concurred in.

IN THE SENATE

March 6, 1979

Returned from second house.
Concurred in. Sent to
enrolling.

Reported correctly enrolled.

1 SENATE BILL NO. 55

2 INTRODUCED BY _____

3 BY REQUEST OF THE DEPARTMENT OF BUSINESS REGULATION

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION
6 32-1-302, MCA, AND REPEAL SECTION 32-1-304, MCA, TO CLARIFY
7 THE APPLICATION PROCESS FOR CERTIFICATES OF AUTHORIZATION
8 FOR STATE-CHARTERED BANKS."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Section 32-1-302, MCA, is amended to read:

12 "32-1-302. Incorporation. (1) The proposed articles of
13 agreement shall be presented to the department, together
14 with an application in writing in the form prescribed by the
15 department, for a certificate authorizing the proposed
16 corporation to transact within this state the business
17 specified in the articles of agreement.

18 (2) Upon the presentation of the proposed articles of
19 agreement, together with the application, the department
20 shall ascertain whether the requisite capital of the bank
21 as required in 32-1-307, has been subscribed and been paid
22 up in cash. It shall also determine whether the corporation
23 is being formed for any other purpose than the legitimate
24 business contemplated by this chapter ~~or whether the public~~
25 ~~convenience and advantage will be promoted by the opening of~~

1 ~~the bank. It shall determine whether the corporate name~~
2 ~~assumed by the bank, by reason of the use of any one or more~~
3 ~~of the words "commercial", "trust", "savings", or~~
4 ~~"investment" in conjunction with any other word or words,~~
5 ~~resembles so closely the name of any other bank previously~~
6 ~~formed under this chapter as to be likely to cause~~
7 ~~confusion. The department shall also ascertain from the best~~
8 ~~sources of information at its command whether the character~~
9 ~~and general fitness of the persons named as stockholders~~
10 ~~command confidence of the community in which the bank is~~
11 ~~proposed to be located.~~

12 ~~(3) The expenses of the department in making the~~
13 ~~examination required by this section shall be paid by the~~
14 ~~proposed bank and payment shall be made in advance if~~
15 ~~required by the department.~~

16 ~~(4)(3) All information gathered by the department~~
17 ~~under this section shall be transmitted to the board for its~~
18 ~~use in conducting hearings on applications for certificates~~
19 ~~of authorization."~~

20 Section 2. Repealer. Section 32-1-304, MCA, is
21 repealed.

-End-

Approved by Committee
on Business and Industry

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5 resembles so closely the name of any other bank previously
6 formed under this chapter as to be likely to cause
7 confusion. ~~The department shall also ascertain from the best~~
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16 (3) THE EXPENSES OF THE DEPARTMENT AND THE BOARD
17 INCURRED IN THE EXAMINATIONS AND HEARINGS PROVIDED FOR IN
18 THIS CHAPTER FOR THE FORMATION OF NEW BANKS MUST BE PAID BY
19 THE PROPOSED BANK THROUGH ADVANCE PAYMENT OF A REASONABLE
20 NONREFUNDABLE APPLICATION FEE WHICH MUST BE DETERMINED BY
21 THE BOARD BY RULE.

22 ~~(4) (3) (4)~~ All information gathered by the department
23 under this section shall be transmitted to the board for its
24 use in conducting hearings on applications for certificates
25 of authorization."

SB 0055/02

1 Section 2. Repealer. Section 32-1-304, MCA, is
2 repealed.

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(2) Upon the presentation of the proposed articles of agreement, together with the application, the department shall ascertain whether the requisite capital of the bank, as required in 32-1-307, has been subscribed and been paid up in cash. It shall also determine whether the corporation is being formed for any other purpose than the legitimate business contemplated by this chapter or whether the public convenience and advantage will be promoted by the opening of

the bank. It shall determine whether the corporate name assumed by the bank, by reason of the use of any one or more of the words "commercial", "trust", "savings", or "investment" in conjunction with any other word or words, resembles so closely the name of any other bank previously formed under this chapter as to be likely to cause confusion. The department shall also ascertain from the best sources of information at its command whether the character and general fitness of the persons named as stockholders command confidence of the community in which the bank is proposed to be located.

(3) The expenses of the department in making the examination required by this section shall be paid by the proposed bank, and payment shall be made in advance if required by the department.

(3) THE EXPENSES OF THE DEPARTMENT AND THE BOARD INCURRED IN THE EXAMINATIONS AND HEARINGS PROVIDED FOR IN THIS CHAPTER FOR THE FORMATION OF NEW BANKS MUST BE PAID BY THE PROPOSED BANK THROUGH ADVANCE PAYMENT OF A REASONABLE NONREFUNDABLE APPLICATION FEE WHICH MUST BE DETERMINED BY THE BOARD BY RULE.

(4) All information gathered by the department under this section shall be transmitted to the board for its use in conducting hearings on applications for certificates of authorization."

SB 0055/02

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SB 0055/03

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