

SENATE BILL 74

Introduced by Hager

12/29	Introduced
1/02	Referred to Business & Industry
1/04	First Reading
2/18	Hearing
2/18	Tabled in Committee

SENATE BILL NO. 74

INTRODUCED BY HAGER

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING ADDITIONAL
DETACHED BANKING FACILITIES IN LARGER URBAN AREAS; AND
AMENDING SECTION 32-1-372, MCA."

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

Section 1. Section 32-1-372, MCA, is amended to read:

"32-1-372. Branch bank -- detached facilities. (1) A
bank may establish and maintain a branch bank only as
provided in 32-1-371 and this section and, in the case of a
bank organized under the laws of this state, with the prior
approval of the state banking board, provided that nothing
in this section prohibits ordinary clearinghouse
transactions between banks.

(2) (a) With the prior approval of the department, any
bank or branch bank doing business in this state may
establish and maintain ~~not more than one~~ detached drive-in
and walk-up ~~facility~~ facilities consisting of one or more
teller windows.

(b) The detached facility or facilities must be in the
city or within 3,000 feet of the city limits of the city in
which the main banking house or branch bank is located. In
cities with a population of 55,000 or more, the bank or

branch bank may establish and maintain three facilities. In
cities with a population in excess of 11,000 but less than
55,000, the bank or branch bank may establish and maintain
two facilities. In all other cities, the bank or branch bank
may establish and maintain not more than one facility.

(c) The facility may not be closer than 200 feet to a
facility operated by any other bank or closer than 300 feet
to the main banking house of any other bank, the measurement
to be made in a straight line from the closest points of the
closest structures involved. The distances specified in this
subsection in relation to a facility operated by any other
bank and in relation to the main banking house of any other
bank may be decreased by mutual written agreement of the
banks involved to not closer than 150 feet to a facility
operated by any other bank or closer than 200 feet to the
main banking house of any other bank, the measurement to be
made in a straight line from the closest points of the
closest structures involved. The service of the facility
must be limited to receiving deposits of every kind, cashing
checks or orders to pay, receiving payments payable at the
bank or the branch bank, and other transactions that are
normally and usually conducted or handled at teller windows
in the main banking house or branch bank.

(3) Any bank authorized to do banking business in this
state may utilize a satellite terminal as defined in the

1 Montana Electronic Funds Transfer Act and at any location
2 permitted by the Montana Electronic Funds Transfer Act. The
3 use of satellite terminals hereby-authorized is not subject
4 to the restrictions on location, transaction, or number
5 applicable to detached drive-in, walk-up, or teller
6 facilities.

7 (4) A bank, other than a bank owned by a holding
8 company not located in Montana, may establish, maintain, and
9 operate a branch bank in a city in which no bank or branch
10 bank is located at the time the branch bank is to be
11 established if that city is in the county or a county
12 adjoining the county in which the main banking house of the
13 branch bank is located.

14 (5) Common ownership notwithstanding, a bank may
15 acquire by consolidation or merger under 32-1-371 and may
16 maintain and operate as a branch bank any bank in this state
17 if, at the time of acquisition, a receiver has been
18 appointed by an appropriate regulatory agency or other
19 governmental authority. Nothing in this subsection allows a
20 bank owned by a holding company not located in this state to
21 acquire an interest in a bank in contravention of 12 U.S.C.
22 1842.

23 (6) A branch bank must have a community advisory
24 board."

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