

SENATE FILE NO. SF0055

Special purpose depository institution-amendments.

Sponsored by: Senator(s) Rothfuss, Crago, Nethercott and Olsen and Representative(s) Filer, Singh and Yin

A BILL

for

1 AN ACT relating to banks, banking and finance; amending
2 special purpose depository institution initial capital
3 stock requirements; amending requirements for special
4 purpose depository institutions to commence business as
5 specified; amending requirements for the application to
6 charter special purpose depository institutions as
7 specified; amending the timeline special purpose depository
8 institutions must commence business; authorizing appeals of
9 decisions of the commissioner; amending the appealable
10 court for decisions relating to special purpose depository
11 institutions; creating a special purpose depository
12 institution resolution fund account; specifying authorized
13 expenditures and the investment of funds in the account;
14 requiring a portion of supervisory fees to be paid to the
15 account; repealing the requirement that special purpose

1 depository institutions maintain a contingency account;
2 making conforming amendments; requiring rulemaking; and
3 providing for effective dates.

4

5 *Be It Enacted by the Legislature of the State of Wyoming:*

6

7 **Section 1.** W.S. 5-13-115 by creating a new subsection
8 (g), 13-12-110(a) and (b), 13-12-111(b), 13-12-116 by
9 creating a new subsection (b) and by renumbering (b) as
10 (c), 13-12-117, 13-12-119(d) and 13-12-122 by creating a
11 new subsection (c) are amended to read:

12

13 **5-13-115. Purpose and jurisdiction.**

14

15 (g) The chancery court shall have jurisdiction to
16 hear and decide appeals of any decision of the state
17 banking board or the state banking commissioner appealed
18 under W.S. 13-12-117.

19

20 **13-12-110. Required initial capital and surplus;**
21 **additional capital.**

22

1 (a) The capital stock of each special purpose
2 depository institution chartered under this chapter shall
3 be subscribed for as fully paid stock. No special purpose
4 depository institution shall ~~be chartered~~ commence business
5 with capital stock of less than five million dollars
6 (\$5,000,000.00).

7

8 (b) No special purpose depository institution shall
9 commence business until the full amount of its authorized
10 capital is subscribed and all capital stock is fully paid
11 in. No special purpose depository institution ~~may be~~
12 ~~chartered~~ shall commence business without a paid up surplus
13 fund of not less than twenty percent (20%) of its legally
14 authorized capital stock and undivided profits in an amount
15 not less than ~~three (3) years~~ one (1) year of estimated
16 operating expenses in the amount disclosed pursuant to W.S.
17 13-12-111(b) or in another amount required by the
18 commissioner.

19

20 **13-12-111. Application for charter; fee; subaccount**
21 **created.**

22

1 (b) The incorporators under W.S. 13-12-109(a) shall
2 apply to the commissioner for a charter. The application
3 shall contain the special purpose depository institution's
4 articles of incorporation, a detailed business plan, a
5 comprehensive estimate of operating expenses for the first
6 ~~three (3) years~~ year of operation, a complete proposal for
7 compliance with the provisions of this chapter and evidence
8 ~~of~~ a plan to raise the capital required under W.S.
9 13-12-110. The commissioner may prescribe the form of
10 application by rule.

11

12 13-12-116. Certificate of authority to commence
13 business required; application; approval or denial; failure
14 to commence business.

15

16 (b) The commissioner shall have the authority to
17 determine the requirements by rule in accordance with this
18 act that shall be met for an approved special purpose
19 depository institution to commence business.

20

21 **(b) (c)** If an approved special purpose depository
22 institution fails to commence business in ~~good faith~~
23 compliance with the requirements imposed by the

1 commissioner under subsection (b) of this section, within
2 ~~six (6) months~~one (1) year after the issuance of a
3 certificate of authority to operate by the commissioner,
4 the charter and certificate of authority shall expire. The
5 board, for good cause and upon an application filed prior
6 to the expiration of the ~~six (6) month~~one (1) year period,
7 may extend the time within which the special purpose
8 depository institution may open for business.

9

10 **13-12-117. Decisions by board appealable; grounds.**

11

12 Any decision of the board or commissioner in approving,
13 conditionally approving or disapproving a charter for a
14 special purpose depository institution, ~~or~~ the issuance or
15 denial of a certificate of authority to operate, compliance
16 with the requirements for an approved special purpose
17 depository institution to commence business under W.S.
18 13-12-116(b) or the issuance or denial of an extension to
19 commence business under W.S. 13-12-116(c) is appealable to
20 the district court of the county in which the institution
21 is to be located, in accordance with the provisions of the
22 Wyoming Administrative Procedure Act or, notwithstanding
23 W.S. 16-3-114(a), to the chancery court. In addition to the

1 grounds for appeal contained in the Wyoming Administrative
2 Procedure Act, an appellant may appeal if the board or the
3 commissioner fails to make any of the required findings or
4 otherwise take an action required by law.

5

6 **13-12-119. Reports and examinations; supervisory
7 fees; required private insurance or bond.**

8

9 (d) Unless the commissioner determines an exemption
10 is appropriate because of payment of other fees, on or
11 before January 31 and July 31 of each year, a special
12 purpose depository institution shall compute and pay
13 supervisory fees to the commissioner based on the total
14 assets of the special purpose depository institution as of
15 the preceding December 31 and June 30 respectively. Except

16 as provided in W.S. 13-12-122(c), supervisory fees under
17 this section shall provide for the operating costs of the
18 office of the commissioner and the administration of the
19 laws governing special purpose depository institutions.

20 Such Supervisory fees shall be established by rule of the
21 commissioner and shall be adjusted by the commissioner to
22 assure consistency with the cost of supervision. Except as
23 provided in W.S. 13-12-122(c), supervisory fees shall be

1 deposited by the commissioner with the state treasurer and
2 credited to the special purpose depository institutions
3 subaccount created by W.S. 13-12-111(d).

4

5 **13-12-122. Failure of institution; unsound or unsafe**
6 **condition; applicability of other insolvency and**
7 **conservatorship provisions; special purpose depository**
8 **institution resolution fund account.**

9

10 (c) There is created the special purpose depository
11 institution resolution fund account. A portion of each
12 supervisory fee paid pursuant to W.S. 13-12-119(d) shall be
13 deposited in the special purpose depository institution
14 resolution fund account and shall be used by the
15 commissioner in the event of an involuntary dissolution of
16 a special purpose depository institution. The amount
17 deposited in the account shall be established by rule of
18 the commissioner. The portion of fees designated under this
19 subsection shall be remitted to the state treasurer to be
20 credited to the special purpose depository institution
21 resolution fund account. All funds within the account shall
22 be invested by the state treasurer and all investment
23 earnings from the account shall be credited to the account.

1 Notwithstanding W.S. 9-2-1008, 9-2-1012(e) and 9-4-207,
2 unobligated and unexpended funds in the account shall not
3 lapse or revert and shall remain in the account and be
4 available for distribution as provided by this subsection.
5 Expenditures from the account shall be made using warrants
6 drawn by the state auditor, upon vouchers issued and signed
7 by the director of the department of audit or by the
8 commissioner. Funds from the account shall be expended only
9 to carry out the duties of the commissioner in the
10 involuntary dissolution of a special purpose depository
11 institution.

12

13 **Section 2.** W.S. 13-12-106 and 13-12-122(b)(i)(B) are
14 repealed.

15

16 **Section 3.** The banking commissioner shall promulgate
17 rules as necessary to implement this act.

18

1 Section 4.

2

5

6 (b) Sections 3 and 4 of this act are effective
7 immediately upon completion of all acts necessary for a
8 bill to become law as provided by Article 4, Section 8 of
9 the Wyoming Constitution.

10

11

(END)