

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

SENATE FILE NO.

Special purpose depository institution conversion.

Sponsored by: Senator(s) Rothfuss

A BILL

for

1 AN ACT relating to banks, banking and finance; providing  
2 for the conversion of special purpose depository  
3 institutions into state banks; requiring rulemaking; and  
4 providing for effective dates.

5

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

7

8 **Section 1.** W.S. 13-2-216 is created to read:

9

10 **13-2-216. Conversion of special purpose depository**  
11 **institution into state bank.**

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1           (a) The commissioner, with approval of the board, may  
2 convert the charter of a special purpose depository  
3 institution chartered under W.S. 13-12-115 to a state bank  
4 chartered under this article. A conversion shall occur as  
5 follows:

6  
7           (i) A special purpose depository institution  
8 seeking to convert its charter to a state bank shall file  
9 an application to convert that contains a comprehensive  
10 plan for conversion as required by this section and rules  
11 promulgated by the commissioner. The application shall  
12 include a certificate signed by the institution's president  
13 and a majority of the board of directors setting forth the  
14 action taken to support the proposed conversion in  
15 compliance with this section. The plan of conversion and a  
16 proposed organizational instrument that includes the  
17 information required by W.S. 13-2-202 shall be approved by  
18 the shareholders of the special purpose depository  
19 institution prior to submitting an application for  
20 conversion;

21  
22           (ii) The application to convert shall include a  
23 comprehensive plan for conversion setting forth any

1 necessary disposition of assets and liabilities in  
2 reasonable detail to effect the conversion, and any other  
3 plans required by the commissioner. The application shall  
4 be accompanied by a fee consistent with W.S. 13-2-208. The  
5 plan of conversion shall provide for the discharge or  
6 assumption of all known and unknown claims and liabilities  
7 of the special purpose depository institution.  
8 Additionally, the application for conversion shall include  
9 other evidence, certifications, affidavits, documents or  
10 information as the commissioner may require, including  
11 demonstration of how assets and liabilities will be  
12 disposed, the timetable for effecting disposition or  
13 transfer of the assets and liabilities and a proposal for  
14 addressing any claims that are asserted after conversion  
15 has been completed;

16

17 (iii) The commissioner shall examine the  
18 application for compliance with this section, the  
19 requirements of W.S. 13-2-207 through 13-2-212 that are not  
20 inconsistent with this section and applicable rules.

21

22 (b) Upon receipt of a complete application, the  
23 commissioner shall notify the board. The board, in its

1 discretion, may allow the commissioner to proceed with  
2 approval of an application on an expedited basis without  
3 further oversight or approval by the board or, if deemed  
4 necessary by the board, the board may require a process  
5 consistent with W.S. 13-2-207, 13-2-209 and 13-2-211. Where  
6 an expedited review is allowed by the board, the  
7 commissioner shall approve or deny a conversion application  
8 under this section not more than ninety (90) days after  
9 receipt of a complete application.

10

11 (c) The application shall not be approved under this  
12 section until the board or commissioner, as applicable, has  
13 ascertained to the board's or commissioner's satisfaction  
14 that the proposed state bank satisfies all criteria under  
15 W.S. 13-2-212(a) and meets all applicable requirements and  
16 any applicable rules to operate as a state bank. If the  
17 application is to be approved by the board, the board shall  
18 take action consistent with W.S. 13-2-212(b).

19

20 (d) If the application is approved and a charter  
21 granted by the board or commissioner, the converting  
22 special purpose depository institution shall not commence  
23 business as a state bank before receiving a certificate of

1 authority to operate as a state bank from the state banking  
2 commissioner. Upon approval of an application the special  
3 purpose depository institution shall apply for a  
4 certificate of authority to the state banking commissioner  
5 and shall certify that the capital and surplus have been  
6 paid in, the address at which the converted state bank will  
7 operate and that all of the bylaws adopted have been  
8 attached as an exhibit to the application for certificate  
9 of authority. The application for a certificate of  
10 authority shall state who the officers, directors and  
11 stockholders are at that time and attach evidence that  
12 appropriate federal insurance of deposits has been  
13 obtained, where applicable. The state banking commissioner  
14 shall approve or deny an application for a certificate of  
15 authority not more than thirty (30) days after a complete  
16 application has been filed. If the state banking  
17 commissioner approves the application, he shall issue a  
18 certificate of authority to the converted state bank not  
19 later than twenty (20) days after approval of the  
20 application. If the state banking commissioner denies the  
21 application, he shall mail a notice of denial to the  
22 converted state bank not later than twenty (20) days after  
23 denial of the application, stating the reasons for denying

1 the application, and grant to the converted state bank not  
2 more than ninety (90) days to resubmit the application with  
3 the necessary corrections. If the converted state bank  
4 fails to comply with requirements of the notice of denial  
5 within ninety (90) days from the receipt of the notice, the  
6 approval of the application and articles of incorporation  
7 previously issued to the converted state bank shall be  
8 revoked by the state banking commissioner. The failure of  
9 the state banking commissioner to act upon receipt of a  
10 complete application for a certificate of authority within  
11 thirty (30) days shall be deemed an approval. If a  
12 converted state bank fails to commence business in good  
13 faith within one (1) year after the issuance of a  
14 certificate of authority by the state banking commissioner  
15 or any required federal approval, whichever is later, the  
16 charter and certificate of authority shall expire.

17

18 (e) A state bank that results from a conversion under  
19 this section shall be deemed to have been in existence for  
20 the same period of time as the special purpose depository  
21 institution from which it converted and shall surrender its  
22 certificate of authority under W.S. 13-12-116. Upon  
23 completion of the conversion the state bank shall not use

1 the term "special purpose depository institution" in its  
2 business name or in connection with its ongoing business.

3  
4 (f) The commissioner shall adopt all rules necessary  
5 to implement this section.

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7 **Section 2.** W.S. 13-12-102(b)(iv) is amended to read:

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9 **13-12-102. Applicability of other provisions.**

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11 (b) The following provisions of this title shall not  
12 apply to this chapter:

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14 (iv) W.S. 13-2-201 through 13-2-214 except as  
15 otherwise provided in W.S. 13-2-216;

16  
17 **Section 3.** The banking commissioner shall adopt all  
18 rules necessary to implement this act on or before July 1,  
19 2026.

20  
21 **Section 4.**

(a) Except as otherwise provided by subsection (b) of this section, this act is effective July 1, 2026.

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

8

9 ( END )