

CHAPTER 78

SENATE BILL No. 137°

AN ACT concerning banks; prohibiting the establishment of branches with commercial affiliates.

*Be it enacted by the Legislature of the State of Kansas:*

Section 1. No bank shall establish or maintain a branch in this state on the premises or property of an affiliate if the affiliate engages in commercial activities.

Sec. 2. As used in sections 1 and 2, and amendments thereto: (a) “Affiliate” means any company that controls, is controlled by, or is under common control with another company.

(b) “Bank” shall have the meaning stated in the federal deposit insurance act, 12 U.S.C. 1813(a)(1).

(c) “Branch” means any office, other than the place of business specified in the bank’s certificate of authority, at which deposits are received, checks paid, money lent or trust authority exercised, if approval has been granted by the appropriate federal or state supervisory agency.

(d) “Commercial activities” means activities in which a bank holding company, a financial holding company, a national bank, or a national bank financial subsidiary may not engage under federal or state law.

(e) “Control” means the power directly or indirectly to direct the management or policies of a bank or to vote 25% or more of any class of voting shares of a bank.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

Approved April 5, 2007.

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