

Senate Bill No. 1093

AN ACT concerning

Branching by Banks

FOR the purpose of prohibiting a banking institution or out-of-state bank from establishing or maintaining a branch in this State on the premises or property of an affiliate if the affiliate engages in commercial activities; defining certain terms; altering the definition of a certain term; making this Act an emergency measure; and generally relating to branching by banks.

BY repealing and reenacting, with amendments,

Article – Financial Institutions

Section 5-1001 and 5-1003

Annotated Code of Maryland

(2003 Replacement Volume and 2005 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Financial Institutions

5-1001.

(a) In this subtitle the following words have the meanings indicated.

(B) “AFFILIATE” MEANS ANY COMPANY THAT CONTROLS, IS CONTROLLED BY, OR IS UNDER COMMON CONTROL WITH ANOTHER COMPANY.

[(b)] (C) “Bank” has the meaning stated [in § 2(c) of the federal Bank Holding Company Act] IN THE FEDERAL DEPOSIT INSURANCE ACT, 12 U.S.C. § 1813(A)(1).

[(c)] (D) “Bank supervisory agency” means:

(1) The Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, or any successor to these agencies; or

(2) An agency of another state with primary responsibility for chartering and supervising banks.

[(d)] (E) (1) “Branch” means a bank office open to the public at which deposits are received, checks are paid, or money is lent.

(2) “Branch” includes a mobile branch or other special-purpose facility that performs a function of a branch.

(3) “Branch” does not include an automated teller machine as defined in § 1-401 of this article.