

CHAPTER 46

GENERAL BANKING POWERS

46.041 Bank applications.

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46.041 BANK APPLICATIONS.

Subdivision 1. **Filing; fee; public inspection.** The incorporators of a bank proposed to be organized under the laws of this state shall execute and acknowledge a written application in the form prescribed by the commissioner of commerce. The application must be signed by two or more of the incorporators and request a certificate authorizing the proposed bank to transact business at the place and in the name stated in the application. The applicant shall file the application with the department with an \$8,000 filing fee. The commissioner may waive the fee for a bank to be located in a low- or moderate-income area as defined in Code of Federal Regulations, title 12, part 25(1), (n)(1) and (n)(2), and where no other depository institution operates an office. If the proposed bank is being organized in connection with a reorganization or merger of an existing bank, the filing fee is \$2,000. The fees must be turned over by the commissioner to the state treasurer and credited to the general fund. The application file must be public, with the exception of financial data on individuals which is private under the Minnesota Government Data Practices Act and data defined as trade secret information under section 13.37, subdivision 1, paragraph (b), which must be given nonpublic classification upon written request by the applicant.

[For text of subd 2, see M.S.1998]

Subd. 3. **Comments, requests for hearing.** Within 15 days after the notice of application has been published, any person may submit to the commissioner either or both written comments on an application and a written request for a hearing on the application. The request must state the nature of the issues or facts to be presented and the reasons why written submissions would be insufficient to make an adequate presentation to the commissioner. Comments challenging the legality of an application should be submitted separately in writing.

Written requests for hearing must be evaluated by the commissioner who may grant or deny the request. A hearing must generally be granted only if it is determined that written submissions would be inadequate or that a hearing would otherwise be beneficial to the decision-making process. A hearing may be limited to issues considered material by the commissioner.

If a request for a hearing has been denied, the commissioner shall notify the applicant and all interested persons stating the reasons for denial. Interested parties may submit to the commissioner with simultaneous copies to the applicant additional written comments on the application within 14 days after the date of the notice of denial. The applicant shall be provided an additional seven days after the 14-day deadline has expired within which to respond to any comments submitted within the 14-day period. A copy of any response submitted by the applicant shall also be mailed simultaneously by the applicant to the interested parties. The commissioner may waive the additional seven-day comment period if so requested by the applicant.

[For text of subds 4 and 5, see M.S.1998]

History: 1999 c 151 s 1,2

46.048 NOTICE OF PROPOSED ACQUISITION.

Subdivision 1. **Requirement.** Whenever a change in the outstanding voting stock of a banking institution will result in control or in a change in the control of the banking institution, the person acquiring control of the banking institution, including an out-of-state bank holding company, shall file notice of the proposed acquisition of control with the commissioner of commerce at least 60 days before the actual effective date of the change, except that

the commissioner may extend the 60-day period an additional 30 days if in the commissioner's judgment any material information submitted is substantially inaccurate or the acquiring party has not furnished all the information required. The notice must be accompanied by a filing fee of \$3,000 payable to the commissioner of commerce, unless the person filing the notice has been associated with the banking institution as an officer or director for at least three years, in which case the filing fee is \$1,000. No filing fee is required of a person required to file a notice because of a stock redemption or other transaction by others that caused the change in control. As used in this section, the term "control" means the power to directly or indirectly direct or cause the direction of the management or policies of the banking institution. A change in ownership of capital stock that would result in direct or indirect ownership by a stockholder or an affiliated group of stockholders of less than 25 percent of the outstanding capital stock is not considered a change of control. If there is any doubt as to whether a change in the outstanding voting stock is sufficient to result in control or to effect a change in the control, the doubt shall be resolved in favor of reporting the facts to the commissioner. The commissioner shall use the criteria established by the Financial Institution Regulatory and Interest Rate Control Act of 1978, United States Code, title 12, section 1817(j), and the regulations adopted under it, when reviewing the acquisition and determining if the acquisition should or should not be disapproved. Within three days after making the decision to disapprove a proposed acquisition, the commissioner shall notify the acquiring party in writing of the disapproval. The notice must provide a statement of the basis for the disapproval.

[For text of subd 2a, see M.S.1998]

Subd. 2b. **Notice.** Upon the filing of a notice:

(1) an acquiring party shall publish once in a newspaper of general circulation notice of the proposed acquisition in a form acceptable to the commissioner; and

(2) the commissioner shall accept public comment on a notice for a period of not less than 21 days from the date of the publication required by clause (1).

[For text of subds 3 and 4, see M.S.1998]

History: 1999 c 151 s 3,4

46.131 EXAMINATION FEES FOR FINANCIAL INSTITUTIONS.

[For text of subds 1 to 9, see M.S.1998]

Subd. 10. Each financial institution described in subdivision 2 shall pay a fee of \$50 to the commissioner of commerce upon application to the commissioner for approval of a change in its certificate, charter, articles of incorporation, bylaws, powers or license. Money collected by the commissioner under this subdivision shall be deposited in the general fund.

History: 1999 c 151 s 5