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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/16/2011	.	
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The Committee on Banking and Insurance (Richter) recommended the following:

Senate Amendment (with title amendment)

Delete lines 922 - 943
and insert:

Section 19. Subsections (3), (4), and (25) of section 658.12, Florida Statutes, are amended to read:

658.12 Definitions.—Subject to other definitions contained in the financial institutions codes and unless the context otherwise requires:

(3) "Banker's bank" means a bank insured by the Federal Deposit Insurance Corporation, or a holding company which owns or controls such ~~an~~ insured bank, if a minimum of 75 percent of



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13 ~~when~~ the stock of such bank or holding company is owned
14 exclusively by other banks, the bank is organized solely to do
15 business with other financial institutions, and the bank does
16 not do business with the general public and such bank or holding
17 company and all subsidiaries thereof are engaged exclusively in
18 ~~providing services for other financial institutions and their~~
19 ~~officers, directors, and employees.~~

20 (4) "Branch" or "branch office" of a bank means any office
21 or place of business of a bank, other than its main office and
22 the facilities and operations authorized by ss. 658.26(4),
23 ~~658.65,~~ and 660.33, at which deposits are received, checks are
24 paid, or money is lent. With respect to a bank that ~~which~~ has a
25 trust department, the terms "~~branch~~" and "~~branch office~~" have
26 the meanings herein ascribed to a branch or a branch office of a
27 trust company and mean. "~~Branch~~" or "~~branch office~~" of a trust
28 ~~company means~~ any office or place of business of a trust
29 company, other than its main office and its trust service
30 offices established pursuant to s. 660.33, where trust business
31 is transacted with its customers.

32 ~~(25) Terms used but not defined in this code, but which are~~
33 ~~defined in Revised Article 3 or Article 4 of the Uniform~~
34 ~~Commercial Code as enacted in chapters 673 and 674 shall, in~~
35 ~~this code, unless the context otherwise requires, have the~~
36 ~~meanings ascribed to them in chapters 673 and 674.~~

37 Section 20. Section 658.165, Florida Statutes, is amended
38 to read:

39 658.165 Banker's banks; formation; ~~applicability of~~
40 ~~financial institutions codes; exceptions.-~~

41 (1) If ~~When~~ authorized by the office, a corporation may be



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42 formed under the laws of this state for the purpose of becoming
43 a banker's bank. An application for authority to organize a
44 banker's bank is subject to ~~the provisions of~~ ss. 658.19,
45 658.20, and 658.21, except that s. the provisions of ss.
46 658.20(1)(b) and (c) and the minimum stock ownership
47 requirements for the organizing directors provided in s.
48 658.21(2) do not apply.

49 (2) A banker's bank chartered pursuant to subsection (1) is
50 ~~shall be~~ subject to the ~~provisions of the~~ financial institutions
51 codes and rules adopted thereunder; and, except as otherwise
52 specifically provided herein or by rule or order of the
53 commission or office, a banker's bank is ~~shall be~~ vested with or
54 subject to the same rights, privileges, duties, restrictions,
55 penalties, liabilities, conditions, and limitations that would
56 apply to a state bank. A banker's bank is organized solely to do
57 business with other financial institutions, and is not deemed to
58 be doing business with the general public even if, as an
59 incidental part of its activities, it does business to a limited
60 extent with entities and persons other than financial
61 institutions as follows:

62 (a) The range of customers with which the banker's bank
63 does business is limited to financial institutions, including
64 subsidiaries or organizations owned by financial institutions;
65 directors, officers, or employees of the same or other financial
66 institutions; individuals whose accounts are acquired at the
67 request of a financial institution's supervisory authority due
68 to the actual or impending failure of a financial institution;
69 and financial institution trade associations; and

70 (b) The banker's bank does not make loans to, or



71 investments in, entities and persons other than financial
72 institutions which exceed 10 percent of the banker's bank's
73 total assets, and the banker's bank does not receive deposits
74 from, or issue other liabilities to, entities and persons other
75 than financial institutions which exceed 10 percent of the
76 banker's bank total liabilities.

77 (3) Notwithstanding any other provision of this chapter, a
78 banker's bank may repurchase, for its own account, shares of its
79 own capital stock; however, the outstanding capital stock may
80 not be reduced below the minimum required by this chapter
81 without the prior approval of the office.

82 (4) A banker's bank may provide services at the request of
83 financial institutions in organization ~~organizations~~ that have:

84 (a) Received conditional regulatory approval from the
85 office in the case of a state bank or trust company, or from the
86 appropriate state regulatory agency in the case of an out-of-
87 state bank or trust company, or received preliminary approval
88 from the Office of the Comptroller of the Currency in the case
89 of a national bank.

90 (b) Filed articles of incorporation or organization
91 pursuant to s. 658.23 in the case of a state bank or trust
92 company, or pursuant to applicable state law in the case of an
93 out-of-state bank or trust company, or filed acceptable articles
94 of incorporation and an organization certificate in the case of
95 a national bank.

96 (c) Received capital funds in an amount not less than the
97 minimum capitalization required in any notice of or order
98 granting conditional regulatory approval.

99 (5) A banker's bank may provide services to the organizers



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100 of a ~~proposed~~ financial institution in organization which ~~that~~
101 has not received conditional regulatory approval if ~~provided~~
102 ~~that~~ such services are limited to the financing of the expenses
103 of organizing such proposed financial institution and expenses
104 relating to the acquisition or construction of the institution's
105 proposed operating facilities and associated fixtures and
106 equipment.

107 (6) If the commission or office finds that any provision of
108 this chapter is inconsistent with the purpose for which a
109 banker's bank is organized and that the welfare of the public or
110 any financial institution would not be jeopardized thereby, the
111 commission, by rule, or the office, by order, may exempt a
112 banker's bank from such provision or limit the application
113 thereof.

114
115 ===== T I T L E A M E N D M E N T =====

116 And the title is amended as follows:

117 Delete lines 43 - 45

118 and insert:

119 F.S.; revising the definition of "banker's bank";
120 conforming a cross-reference; deleting a provision
121 relating to the application of definitions in the
122 financial institutions codes; amending s. 658.165,
123 F.S.; revising provisions relating to banker's banks;
124 specifying the type of business such a bank may do
125 with entities or individuals that are not banks;
126 revising provisions relating to the services a
127 banker's bank may provide to financial institutions in
128 organization; repealing s.