

SB 1264 — International Banking Corporations

by Senator Richter

This bill grants the Office of Financial Regulation (OFR) regulatory authority over international trust company representative offices (ITCROs), an entity that the OFR does not currently have the statutory authority to regulate. The provisions of this bill require ITCROs within the state to meet minimum licensure requirements, submit to ongoing safety and soundness requirements, and be subject to the examination and enforcement authority of the OFR. Further, this bill will allow the OFR to consider the solvency of international banks in their home countries when granting or revoking licenses. The impetus for providing this additional regulatory authority is to prevent future Ponzi schemes resembling the one allegedly executed in recent years by Allen Stanford.

These provisions were approved by the Governor and take effect July 1, 2010.

Vote: Senate 40-0; House 116-0