

Act No. 481
Public Acts of 2000
Approved by the Governor
January 10, 2001
Filed with the Secretary of State
January 11, 2001
EFFECTIVE DATE: January 11, 2001

**STATE OF MICHIGAN
90TH LEGISLATURE
REGULAR SESSION OF 2000**

Introduced by Reps. Bisbee, Wojno, Sanborn, Shackleton, Hager, Mortimer, Van Woerkom, Bishop, DeVuyst, Rick Johnson, Daniels, Hale, Thomas, Bob Brown, Patterson, Julian, Ehardt, Law, Clark, Richner, O'Neil, Jansen and Basham

ENROLLED HOUSE BILL No. 5908

AN ACT to amend 1996 PA 354, entitled "An act to codify the laws relating to savings banks; to provide for incorporation, regulation, supervision, and internal administration of savings banks; to prescribe the rights, powers, and immunities of savings banks; to prescribe the powers and duties of certain state agencies and officials; to provide for remedies; and to prescribe penalties," by amending sections 209, 210, 213, and 214 (MCL 487.3209, 487.3210, 487.3213, and 487.3214).

The People of the State of Michigan enact:

Sec. 209. (1) A savings bank together with its subsidiaries, service entities, and entities the controlling interests of which are more than 50% owned by subsidiaries or service entities or association service corporations, are subject to examination of the commissioner, with or without prior notice, not less frequently than once every 18 months concerning the conditions and affairs of the savings bank. The commissioner shall also examine a savings bank under the commissioner's jurisdiction when requested by its board of directors. In connection with an examination, the commissioner, or the commissioner's authorized agent, may examine on oath a director, officer, agent, employee, or shareholder of a savings bank concerning the affairs and business of the savings bank. The commissioner shall ascertain whether the savings bank transacts its business in the manner prescribed by law and the rules promulgated pursuant to law. The commissioner, or the commissioner's authorized agent, may make an examination of an affiliate, subsidiary, or service entity necessary to disclose fully the relationship between a savings bank and the affiliate, subsidiary, or service entity and the effect of the relationship upon the savings bank.

(2) The commissioner may examine the branch or branches located in this state of an out-of-state bank under the federal deposit insurance act, chapter 967, 64 Stat. 873.

(3) In fulfilling the requirements of subsections (1) and (2), the commissioner may use an examination made under the federal deposit insurance act, or the law of another state governing the activities of out-of-state banks in that state. The commissioner may require the savings bank to furnish a copy of any report required by a federal or state bank regulatory agency.

(4) An examination required by this section shall include the fiduciary activities of the savings bank.

(5) The commissioner may contract with other savings bank regulatory agencies to assist in the conduct of examinations of savings banks with 1 or more branches located in other states and in examination of out-of-state banks with 1 or more branches located in this state.

Sec. 210. (1) The commissioner shall periodically establish a schedule of supervisory fees to be paid by savings banks. Except for a minimum fee consistent with subsection (2), the fee shall not be more than 25 cents for each \$1,000.00 of

total assets of the savings bank as reported by the savings bank on its report of condition as of December 31 of the previous year.

(2) Each savings bank shall pay an annual supervisory fee which shall be not less than \$1,000.00.

(3) The commissioner shall provide an invoice of the annual supervisory fee to each savings bank by July 1 of each year. The annual supervisory fee shall be paid by August 15 of that year.

(4) The initial supervisory fee for a savings bank that obtained a charter as a result of a conversion shall be based on the total assets as reported in its report of condition as of December 31 of the previous year under the prior charter.

(5) The initial supervisory fee of a savings bank newly organized and chartered under this act, during the initial supervisory year, shall be the minimum supervisory fee established by the commissioner.

(6) The commissioner shall periodically establish a schedule of fees, beyond those charged for normal supervision, to be paid for applications, special evaluations and analyses, and examinations, including examinations of trust services and safe deposit and collateral deposit companies.

(7) The fees established under subsection (6) shall be equal to the estimated cost to the bureau for conducting the activity for which the fee is imposed.

(8) The commissioner may charge reasonable fees for furnishing and certifying copies of documents or serving notices required by this act.

(9) To the extent any fees assessed under this act are unpaid when due, the commissioner may, upon proper notice, maintain an action against the savings bank for the recovery of the fees plus interest and costs.

(10) The fees collected under this section are not refundable and shall be paid into the state treasury to the credit of the bureau and used only for the operation of the bureau.

Sec. 213. (1) The commissioner and all deputies, agents, and employees of the bureau shall keep secret all facts and information obtained in the course of their duties under this act, except if the person is required under law to report upon, take official action, or testify in any proceedings regarding the affairs of a savings bank. This subsection applies to all former commissioners, deputies, agents, and employees of the bureau.

(2) This section does not apply to, and does not prohibit the furnishing of information or documents to, depository institution regulatory agencies, and is not applicable to disclosures made in the public interest by the commissioner, at his or her discretion.

Sec. 214. (1) A savings bank that seeks the commissioner's approval under section 302, 303, 312, 336, 412, 421, 701, 709, 710, 711, 711a, 712, 712a, or 715 shall submit an application to the bureau.

(2) The application shall contain information and be accompanied by documents as required by the bureau.

(3) If an application is considered incomplete by the bureau, it will either be returned for completion or the applicant will be requested to submit additional information as necessary to make the application complete.

(4) When the application is considered complete by the bureau, it shall be accepted and the process of reviewing its contents for a decision will begin on that date.

(5) The statutory period, as set forth in this section, regarding the issuance of orders by the commissioner shall commence on the date of acceptance of the application.

(6) If, subsequent to the date of acceptance, the applicant wishes to amend the application or supplement or provide additional material in connection with the application, the commissioner may suspend processing of the application or proceed with the statutory period for the issuance of an order.

(7) In connection with an application, the commissioner may consider additional information from any source.

(8) The commissioner shall approve or disapprove an application in writing within 100 days after the date of acceptance of an application, or the last amendment to the application. An order disapproving an application shall state the basis for disapproval.

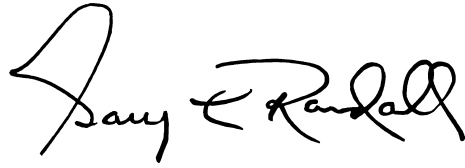
(9) An applicant who is dissatisfied with an order of the commissioner, or an institution that is dissatisfied with an objection issued under section 417, may submit a written request for a reconsideration of the order or objection stating the reasons for the request. The request must be received by the bureau within 5 days after the date of the order or objection. The commissioner, within 10 days of receiving the request for reconsideration, shall render a decision on the request for reconsideration. If a petition for reconsideration is granted, the commissioner shall grant the applicant 10 days to file written arguments or briefs. The commissioner may allow for oral argument after granting a petition for reconsideration. The oral argument shall be held within 10 days after granting the petition. The commissioner shall issue a final order, objection, or withdrawal of an objection within 20 days after granting the petition for reconsideration.

(10) Appeal of an order or objection shall not be made by an applicant without first requesting a reconsideration of the order or objection.

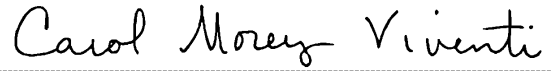
Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 90th Legislature are enacted into law:

- (a) House Bill No. 5907.
- (b) House Bill No. 5909.

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved

Governor.