

SENATE BILL NO.

Introduced by

Senator Klein

1 A BILL for an Act to create and enact a new section to chapter 6-08.4 of the North Dakota
2 Century Code, relating to the powers of an industrial bank; and to provide an effective date.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** A new section to chapter 6-08.4 of the North Dakota Century Code is
5 created and enacted as follows:

6 **Powers of industrial bank.** No industrial bank may accept deposits or make loans at a
7 commercial location unless the industrial bank is owned by a financial holding company as
8 defined in 12 U.S.C. sec. 1841(p). For the purposes of this section a "commercial location"
9 means a location owned, operated, leased, or otherwise controlled by an entity that derives
10 fifteen percent or more of its annual gross revenues, on a consolidated basis, including all
11 affiliates of the entity, from engaging, on an ongoing basis, in activities that are not financial in
12 nature or incidental to a financial activity during at least three of the prior four calendar quarters,
13 as determined by the department of financial institutions.

14 **SECTION 2. EFFECTIVE DATE.** This Act becomes effective immediately upon its
15 filing with the secretary of state.