

AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2646

Introduced by Assembly Member Gatto

February 24, 2012

An act to amend Section 14254.5 of the Financial Code, relating to credit unions.

LEGISLATIVE COUNSEL'S DIGEST

AB 2646, as amended, Gatto. Credit unions: branch offices: Indian reservations.

Existing law provides for the formation and regulation of state-certified credit unions and requires that a credit union obtain a certificate of authority from the Commissioner of Financial Institutions to transact business as a credit union. Existing law prohibits a ~~foreign (other nation)~~ credit union from ~~maintaining an office in this state at which it engages in representational functions unless it is licensed to maintain a representative office, agency, or branch at that place, as specified~~ *establishing a branch in another state or in a foreign nation, as defined, without obtaining specified approval.*

This bill ~~would state the intent of the Legislature to enact legislation that~~ would authorize a state-certified credit union, *with the approval of the appropriate tribal government*, to operate a branch office on an Indian reservation.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ *yes*. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14254.5 of the Financial Code is amended
2 to read:

3 14254.5. (a) Except as provided in subdivisions (b) and (c),
4 within 10 business days of opening, closing, or relocating a branch
5 office, a credit union shall notify the commissioner in writing of
6 the action, including the street and mailing addresses of the branch
7 office.

8 (b) A credit union shall not establish a branch office in another
9 state of the United States without the approval of the governmental
10 authority with jurisdiction to license or charter credit unions in
11 that state. "State" has the meaning set forth in Section ~~146.7~~ 207.

12 (c) A credit union shall not establish a branch office in a foreign
13 nation without the prior written approval of the commissioner.
14 "Foreign nation" has the meaning set forth in Section ~~139.3~~ 175.

15 (d) *Notwithstanding any other law, a credit union may, with the*
16 *approval of the appropriate tribal government, establish a branch*
17 *on the reservation or rancheria lands of a federally recognized*
18 *Indian tribe within the borders of the state.*

19 ~~SECTION 1. It is the intent of the Legislature to enact~~
20 ~~legislation that would authorize a state-certified credit union to~~
21 ~~operate a branch office on an Indian reservation.~~