

ASSEMBLY BILL

No. 1686

Introduced by Assembly Member Travis Allen

January 20, 2016

An act to amend Section 1002 of the Financial Code, relating to banking.

LEGISLATIVE COUNSEL'S DIGEST

AB 1686, as introduced, Travis Allen. Banking.

Existing law regulates the practice of banking in California and classifies these institutions as commercial banks, industrial banks, and trust companies. Existing law prohibits a bank from being a close corporation, as defined.

This bill would make nonsubstantive changes to the prohibition on banks as close corporations.

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

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

- 1 SECTION 1. Section 1002 of the Financial Code is amended
- 2 to read:
- 3 1002. ~~No~~A bank shall *not* be a close corporation (as
- 4 *corporation, as defined in Section 158 of the Corporations Code*).
- 5 *Code.*

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