

**ASSEMBLY BILL**

**No. 1933**

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**Introduced by Assembly Member Travis Allen**

February 12, 2016

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An act to amend Section 1100 of the Financial Code, relating to banking.

LEGISLATIVE COUNSEL'S DIGEST

AB 1933, as introduced, Travis Allen. Banking.

Existing law regulates the practice of banking in California and classifies these institutions as a commercial banks, industrial banks, and trust companies. Existing law prescribes requirements for the articles of different classes of banks.

This bill would make nonsubstantive changes to the requirements for bank articles, as described above.

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 1100 of the Financial Code is amended
- 2 to read:
- 3 1100. The articles of each bank shall contain the applicable
- 4 one of the following statements:
- 5 (a) In case the bank is, or is proposed to be, a commercial bank
- 6 not authorized to engage in trust business, that the purpose of the
- 7 corporation is to engage in commercial banking business and any
- 8 other lawful activities—~~which~~ *that* are not, by applicable laws or
- 9 regulations, prohibited to a commercial bank.

1 (b) In case the bank is, or is proposed to be, a commercial bank  
2 authorized to engage in trust business, that the purpose of the  
3 corporation is to engage in commercial banking business and trust  
4 business and any other lawful activities—~~which~~ *that* are not, by  
5 applicable laws or regulations, prohibited to a commercial bank  
6 authorized to engage in trust business.

7 (c) In case the bank is, or is proposed to be, an industrial bank  
8 not authorized to engage in trust business, that the purpose of the  
9 corporation is to engage in industrial banking business and any  
10 other lawful activities—~~which~~ *that* are not, by applicable laws or  
11 regulations, prohibited to an industrial bank.

12 (d) In case the bank is, or is proposed to be, an industrial bank  
13 authorized to engage in trust business, that the purpose of the  
14 corporation is to engage in industrial banking business and trust  
15 business and any other lawful activities—~~which~~ *that* are not, by  
16 applicable laws or regulations, prohibited to an industrial bank  
17 authorized to engage in trust business.

18 (e) In case the bank is, or is proposed to be, a trust—~~company~~  
19 (~~other company, other~~ *than* a commercial bank authorized to engage  
20 in trust—~~business~~); *business*, that the purpose of the corporation is  
21 to engage in trust business and any other lawful activities—~~which~~  
22 *that* are not, by applicable laws or regulations, prohibited to a trust  
23 company.