

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**SENATE BILL**

**No. 1141** Session of  
2006

INTRODUCED BY TARTAGLIONE, FONTANA, COSTA, RAFFERTY, KITCHEN,  
HUGHES, STACK, WAUGH, O'PAKE, KASUNIC, WASHINGTON, CONTI AND  
ERICKSON, MARCH 20, 2006

REFERRED TO BANKING AND INSURANCE, MARCH 20, 2006

AN ACT

1 Amending the act of November 30, 1965 (P.L.847, No.356),  
2 entitled "An act relating to and regulating the business of  
3 banking and the exercise by corporations of fiduciary powers;  
4 affecting persons engaged in the business of banking and  
5 corporations exercising fiduciary powers and affiliates of  
6 such persons; affecting the shareholders of such persons and  
7 the directors, trustees, officers, attorneys and employes of  
8 such persons and of the affiliates of such persons; affecting  
9 national banks located in the Commonwealth; affecting persons  
10 dealing with persons engaged in the business of banking,  
11 corporations exercising fiduciary powers and national banks;  
12 conferring powers and imposing duties on the Banking Board,  
13 on certain departments and officers of the Commonwealth and  
14 on courts, prothonotaries, clerks and recorders of deeds;  
15 providing penalties; and repealing certain acts and parts of  
16 acts," further providing for authorization of new branches.

17 The General Assembly of the Commonwealth of Pennsylvania  
18 hereby enacts as follows:

19 Section 1. Section 904 of the act of November 30, 1965  
20 (P.L.847, No.356), known as the Banking Code of 1965, amended  
21 July 6, 1995 (P.L.271, No.39), is amended to read:

22 Section 904. Authorization of New Branches

23 (a) General rule--[An] Except as set forth in subsection  
24 (d), an institution may establish and maintain:

1 (i) branches maintained on the date of these amendments;  
2 (ii) branches acquired from a predecessor in a merger,  
3 consolidation or conversion; and  
4 (iii) branches established with the prior written  
5 approval of the department after the filing of an application  
6 for approval in a form prescribed by the department  
7 accompanied by any applicable fee and after investigation by  
8 the department, except that department approval shall not be  
9 required for national banks.

10 (b) Reciprocity condition--A banking institution existing  
11 under the laws of another jurisdiction may not establish a  
12 branch in this Commonwealth unless the laws of the state where  
13 it is located would permit an institution chartered under the  
14 laws of this Commonwealth or a national bank located in this  
15 Commonwealth to establish and maintain a branch in such other  
16 state on substantially the same terms and conditions.

17 (c) Savings banks--A savings bank may establish and maintain  
18 branches within any county of this Commonwealth or within any  
19 state of the United States or the District of Columbia, subject  
20 to the written approval of the department upon an application  
21 for approval in a form prescribed by the department accompanied  
22 by any applicable fee and after investigation by the department.

23 (d) Exception.--An industrial bank chartered under the laws  
24 of the State of Utah may not establish a branch in this  
25 Commonwealth under subsection (a)(iii).

26 Section 2. This act shall take effect in 60 days.