

HOUSE BILL NO. HB0074

Special purpose depository banks.

Sponsored by: Joint Minerals, Business & Economic Development
Interim Committee

A BILL

for

1 AN ACT relating to banking; making legislative findings;
2 creating special purpose depository banks as a new financial
3 institution; providing that special purpose depository banks
4 shall be corporations; requiring that depositors be business
5 entities; specifying compliance with applicable federal laws;
6 establishing procedures for the incorporation, chartering and
7 operation of special purpose depository banks; establishing
8 procedures for liquidation, conservatorship and voluntary
9 dissolution; requiring a surety bond or pledged investments
10 and specified private insurance; authorizing special purpose
11 depository banks to obtain federal deposit insurance; making
12 conforming amendments; and providing for effective dates.

13

14 *Be It Enacted by the Legislature of the State of Wyoming:*

15

1 **Section 1.**

2

3 (a) The legislature finds the following:

4

5 (i) The rapid innovation of blockchain technology,
6 including the growing use of virtual currency and other
7 digital assets, has resulted in many blockchain innovators
8 being unable to access secure and reliable banking services,
9 hampering development of blockchain services and products in
10 the marketplace;

11

12 (ii) Federally insured financial institutions are
13 not generally permitted to manage accounts in virtual
14 currency or hold other digital assets;

15

16 (iii) Blockchain innovators have greater
17 compliance challenges with federal customer identification,
18 anti-money laundering and beneficial ownership requirements
19 because of the complex nature of these obligations and the
20 unfamiliarity of regulators with blockchain innovators'
21 businesses;

22

1 (iv) These intricate obligations have resulted in
2 many financial institutions in Wyoming and across the United
3 States refusing to provide banking services to blockchain
4 innovators and also refusing to accept deposits in United
5 States currency obtained from the sale of virtual currency or
6 other digital assets;

7

8 (v) Compliance with applicable federal and state
9 laws is critical to ensuring the future growth and reputation
10 of the blockchain and technology industries as a whole;

11

12 (vi) Most financial institutions today do not have
13 the requisite expertise or familiarity with the challenges
14 facing blockchain innovators which is required to provide
15 secure and reliable banking services to these innovators;

16

17 (vii) A new type of Wyoming financial institution
18 that has expertise with customer identification, anti-money
19 laundering and beneficial ownership requirements could
20 seamlessly integrate these requirements into its operating
21 model; and

22

1 (viii) Authorizing special purpose depository
2 banks to be chartered in Wyoming will provide a necessary and
3 valuable service to blockchain innovators, emphasize
4 Wyoming's partnership with the technology and financial
5 industry and safely grow this state's developing financial
6 sector.

7

8 **Section 2.** W.S. 13-12-101 through 13-12-126 are created
9 to read:

10

11

CHAPTER 12

12

SPECIAL PURPOSE DEPOSITORY BANKS

13

14 **13-12-101. Short title.**

15

16 This chapter may be cited as the "Special Purpose Depository
17 Banks Act."

18

19 **13-12-102. Applicability of other provisions.**

20

21 (a) Except as otherwise provided in subsections (b) and
22 (c) of this section, all other provisions of this title shall
23 apply to this chapter.

1

2 (b) The following provisions of this title shall not
3 apply to this chapter:

4

5 (i) W.S. 13-1-101(a)(vii);

6

7 (ii) W.S. 13-1-201;

8

9 (iii) W.S. 13-2-101;

10

11 (iv) W.S. 13-2-201 through 13-2-214;

12

13 (v) W.S. 13-2-301;

14

15 (vi) W.S. 13-2-709;

16

17 (vii) W.S. 13-3-102;

18

19 (viii) W.S. 13-3-203;

20

21 (ix) W.S. 13-3-401 through 13-3-405;

22

23 (x) W.S. 13-3-701 through 13-3-703;

1

2 (xi) W.S. 13-4-201 and 13-4-202(a)(i) through
3 (iii);

4

5 (xii) W.S. 13-4-206;

6

7 (xiii) W.S. 13-4-302; and

8

9 (xiv) W.S. 13-5-101 through 13-8-302.

10

11 (c) If any provision of law conflicts with this
12 chapter, this chapter shall control.

13

14 **13-12-103. Special purpose depository banks created as**
15 **corporations; operating authority; powers; prohibition on**
16 **lending.**

17

18 (a) Consistent with this chapter, special purpose
19 depository banks may be organized as corporations under the
20 Wyoming Business Corporation Act to exercise the powers set
21 forth in subsection (b) of this section.

22

23 (b) Each special purpose depository bank may:

1

2 (i) Make contracts as a corporation under Wyoming
3 law;

4

5 (ii) Sue and be sued;

6

7 (iii) Receive notes and buy and sell gold and
8 silver coins and bullion as permitted by federal law;

9

10 (iv) Carry on a nonlending banking business for
11 depositors, consistent with subsection (c) of this section;

12

13 (v) Provide payment services upon the request of
14 a depositor;

15

16 (vi) Make an application to become a member bank
17 of the federal reserve system;

18

19 (vii) Engage in any other activity that is usual
20 or incidental to the business of banking, subject to the prior
21 written approval of the commissioner. The commissioner shall
22 not approve a request to engage in an incidental activity if
23 he finds that the requested activity will adversely affect

1 the solvency or the safety and soundness of the special
2 purpose depository bank or conflict with any provision of
3 this chapter;

4

5 (viii) Exercise powers and rights otherwise
6 authorized by law which are not inconsistent with this
7 chapter.

8

9 (c) Except as otherwise provided in this subsection, a
10 special purpose depository bank shall not make loans,
11 including the provision of temporary credit relating to
12 overdrafts. A special purpose depository bank may purchase
13 debt obligations specified by W.S. 13-12-105(b)(iii).

14

15 (d) A special purpose depository bank shall maintain
16 its principal operating headquarters and the primary office
17 of its chief executive officer in Wyoming.

18

19 (e) As otherwise authorized by this section, the
20 special purpose depository bank may conduct business with
21 depositors outside this state.

22

1 (f) Subject to the laws of the host state, a special
2 purpose depository bank may open a branch in another state in
3 the manner set forth in W.S. 13-2-803. A special purpose
4 depository bank, including any branch of the bank, may only
5 accept deposits or provide other services under this chapter
6 to depositors engaged in a bona fide business which is lawful
7 under the laws of Wyoming, the laws of the host state and
8 federal law.

9
10 **13-12-104. Requirements relating to depositors; nature**
11 **of business.**

12
13 (a) No depositor shall maintain an account with a
14 special purpose depository bank or otherwise receive any
15 services from the bank unless the depositor meets the criteria
16 of this subsection. A depositor shall:

17
18 (i) Be a legal entity other than a natural person;

19
20 (ii) Be in good standing with the jurisdiction in
21 the United States in which it is incorporated or organized;

22

1 (iii) Maintain deposits with the bank totaling not
2 less than five thousand dollars (\$5,000.00);

3

4 (iv) Be engaged in a lawful, bona fide business,
5 consistent with subsection (c) of this section and W.S.
6 13-12-103(f); and

7

8 (v) Make sufficient evidence available to the
9 special purpose depository bank to enable compliance with
10 anti-money laundering, customer identification and beneficial
11 ownership requirements, as determined by the bank.

12

13 (b) A depositor which meets the criteria of subsection
14 (a) of this section shall be issued a depository account and
15 otherwise receive services from the special purpose
16 depository bank, contingent on the availability of sufficient
17 insurance under W.S. 13-12-119(e).

18

19 (c) Consistent with paragraphs (a)(iv) and (v) of this
20 section and in addition to any requirements specified by
21 federal law, a special purpose depository bank shall require
22 that a potential depositor provide reasonable evidence that
23 the person is engaged in a lawful, bona fide business, or is

1 likely to open a lawful, bona fide business within the next
2 six (6) months. As used in this subsection, "reasonable
3 evidence" includes business entity filings, articles of
4 incorporation or organization, bylaws, operating agreements,
5 business plans, promotional materials, financing agreements
6 or other evidence.

7

8 **13-12-105. Required liquid assets.**

9

10 (a) At all times, a special purpose depository bank
11 shall maintain liquid assets valued at not less than one
12 hundred percent (100%) of its depository liabilities.

13

14 (b) As used in this section, "liquid assets" means:

15

16 (i) United States currency held on the premises of
17 the special purpose depository bank;

18

19 (ii) United States currency held for the special
20 purpose depository bank by a federal reserve bank or a
21 federally insured financial institution;

22

1 (iii) Investments which are highly liquid,
2 including those specified by W.S. 13-3-202 and obligations of
3 the United States treasury or other federal agency
4 obligations, consistent with rules adopted by the
5 commissioner.

6

7 **13-12-106. Required contingency account.**

8

9 (a) A special purpose depository bank shall maintain a
10 contingency account to account for unexpected losses and
11 expenses. A special purpose depository bank may require the
12 payment of contributions from depositors to fund a
13 contingency account. Initial capital under W.S. 13-12-110
14 shall constitute compliance with this subsection for the
15 first three (3) years a special purpose depository bank is in
16 operation. After the conclusion of the first three (3) years
17 of operation, a special purpose depository bank shall
18 maintain a contingency account totaling not less than two
19 percent (2%) of the depository liabilities of the special
20 purpose depository bank, provided that the contingency
21 account shall be adequate and reasonable in light of current
22 and prospective business conditions, as determined by the
23 commissioner.

1

2 (b) A depositor shall obtain a refund of any
3 contingency account contributions made under subsection (a)
4 of this section after closing an account with the special
5 purpose depository bank.

6

7 **13-12-107. Applicable federal and state laws.**

8

9 (a) A special purpose depository bank shall comply with
10 all applicable federal laws, including those relating to
11 anti-money laundering, customer identification and beneficial
12 ownership.

13

14 (b) Nothing in this act shall be construed to require
15 compliance with any federal or state law which does not apply
16 to special purpose depository banks.

17

18 **13-12-108. Required disclosures.**

19

20 (a) A special purpose depository bank shall display on
21 any internet website it maintains, and at each window or place
22 where it accepts deposits, a sign conspicuously stating that

1 deposits are not insured by the federal deposit insurance
2 corporation, if applicable.

3

4 (b) Upon opening an account and if applicable, a
5 special purpose depository bank shall require each depositor
6 to execute a statement acknowledging that all deposits at the
7 special purpose depository bank are not insured by the federal
8 deposit insurance corporation. The special purpose depository
9 bank shall permanently retain this acknowledgment.

10

11 (c) A special purpose depository bank shall include in
12 all advertising a disclosure that deposits are not insured by
13 the federal deposit insurance corporation, if applicable.

14

15 **13-12-109. Formation; articles of incorporation.**

16

17 (a) Except as otherwise provided by subsection (d) of
18 this section, five (5) or more adult persons may form a
19 special purpose depository bank. The incorporators shall
20 subscribe the articles of incorporation and transmit them to
21 the commissioner as part of an application for a charter under
22 W.S. 13-12-111.

23

1 (b) The articles of incorporation shall include the
2 following information:

3

4 (i) The corporate name;

5

6 (ii) The object for which the corporation is
7 organized;

8

9 (iii) The term of its existence, which may be
10 perpetual;

11

12 (iv) The place where its office shall be located
13 and its operations conducted;

14

15 (v) The amount of capital stock and the number of
16 shares;

17

18 (vi) The name and residence of each shareholder
19 subscribing to more than ten percent (10%) of the stock and
20 the number of shares owned by that shareholder;

21

1 (vii) The number of directors and the names of
2 those who shall manage the affairs of the corporation for the
3 first year; and

4

5 (viii) A statement that the articles of
6 incorporation are made to enable the incorporators to avail
7 themselves of the advantages of the laws of the state.

8

9 (c) Copies of all amended articles of incorporation
10 shall be filed in the same manner as the original articles of
11 incorporation.

12

13 (d) The incorporators shall solicit capital prior to
14 filing an application for a charter with the commissioner,
15 consistent with W.S. 13-12-110. In the event an application
16 for a charter is not filed or is denied by the board, all
17 capital shall be promptly returned without loss.

18

19 (e) Subject to applicable federal and state law, a bank
20 holding company may apply to hold a special purpose depository
21 bank.

22

1 **13-12-110. Required initial capital and surplus;**
2 **additional capital.**

3

4 (a) The capital stock of each special purpose
5 depository bank chartered under this chapter shall be
6 subscribed for as fully paid stock. No special purpose
7 depository bank shall be chartered with capital stock less
8 than five million dollars (\$5,000,000.00).

9

10 (b) No special purpose depository bank shall commence
11 business until the full amount of its authorized capital is
12 subscribed and all capital stock is fully paid in. Consistent
13 with W.S. 13-12-111(b), no special purpose depository bank
14 may be chartered without a paid up surplus fund of not less
15 than three (3) years of estimated operating expenses prior to
16 applying to the commissioner for a charter.

17

18 (c) A special purpose depository bank may acquire
19 additional capital prior to the granting of a charter and may
20 report this capital in its charter application.

21

22 **13-12-111. Application for charter; fee; subaccount**
23 **created.**

1

2 (a) No person shall act as a special purpose depository
3 bank without first obtaining a charter and certificate of
4 authority to operate from the commissioner under this
5 chapter.

6

7 (b) The incorporators under W.S. 13-12-109(a) shall
8 apply to the commissioner for a charter. The application shall
9 contain the special purpose depository bank's articles of
10 incorporation, a detailed business plan, a comprehensive
11 estimate of operating expenses for the first three (3) years
12 of operation, a complete proposal for compliance with the
13 provisions of this chapter and evidence of the capital
14 required under W.S. 13-12-110. The commissioner may prescribe
15 the form of application by rule.

16

17 (c) Each application for a charter shall be accompanied
18 by an application fee established by the commissioner
19 pursuant to rule, which shall be no greater than the costs
20 incurred by the commissioner in reviewing the application.
21 The application fee shall be credited to the special purpose
22 depository banks subaccount created by subsection (d) of this
23 section.

1

2 (d) The special purpose depository banks subaccount
3 within the financial institutions administration account is
4 created. Funds in the subaccount shall be used by the
5 commissioner to supervise special purpose depository banks
6 and to otherwise carry out the duties specified by this
7 chapter. Funds in the subaccount are continuously
8 appropriated to the subaccount and shall not lapse at the end
9 of any fiscal period. For purposes of accounting and investing
10 only, the special purpose depository banks subaccount shall
11 be treated as a separate account from the financial
12 institutions administration account.

13

14 **13-12-112. Procedure upon filing application.**

15

16 (a) Upon receiving an application for a special purpose
17 depository charter, the commissioner shall notify the
18 applicants in writing within thirty (30) calendar days of any
19 deficiency in the required information or that the
20 application has been accepted for filing. When the
21 commissioner is satisfied that all required information has
22 been furnished, he shall notify the chairman of the board who
23 shall establish a time and place for a public hearing which

1 shall be conducted not less than sixty (60) days, nor more
2 than one hundred twenty (120) days, after notice from the
3 commissioner to the applicants that the application is in
4 order.

5
6 (b) Within thirty (30) days after receipt of notice of
7 the time and place of the public hearing, the applicants shall
8 cause notice of filing of the application and the hearing to
9 be published at the applicants' expense in a newspaper of
10 general circulation within the county where the proposed
11 special purpose depository bank is to be located. Publication
12 shall be made at least once a week for three (3) consecutive
13 weeks before the hearing, stating the proposed location of
14 the special purpose depository bank, the names of the
15 applicants for a charter, the nature of the activities to be
16 conducted by the proposed bank and other information required
17 by rule. The applicants shall furnish proof of publication to
18 the commissioner not more than ten (10) days prior to the
19 hearing. The commissioner shall send notice of the hearing to
20 state and national banks, federal savings and loan
21 associations and other financial institutions in the state
22 and federal agencies who have requested notice from the
23 commissioner.

1

2 **13-12-113. Procedure for hearings on charter**
3 **applications.**

4

5 The hearing for a charter application shall be conducted as
6 a contested case under the Wyoming Administrative Procedure
7 Act and shall comply with the requirements of that act.

8

9 **13-12-114. Investigation and examination by**
10 **commissioner.**

11

12 (a) Upon receiving the articles of incorporation, the
13 application for a charter and other information required by
14 the commissioner, the commissioner shall make a careful
15 investigation and examination of the following:

16

17 (i) The character, reputation, financial standing
18 and ability of the incorporators;

19

20 (ii) The character, financial responsibility,
21 banking or other financial experience and business
22 qualifications of those proposed as officers and directors;

23 and

1

2 (iii) The application for a charter, including the
3 adequacy and plausibility of the business plan of the special
4 purpose depository bank and whether the bank has offered a
5 complete proposal for compliance with the provisions of this
6 chapter.

7

8 (b) The commissioner shall submit the results of his
9 investigation and examination at the public hearing on the
10 charter application and shall be subject to cross examination
11 by any interested party. No relevant information shall be
12 excluded by the board as hearsay.

13

14 **13-12-115. Approval or disapproval of application;**
15 **criteria for approval; action upon application.**

16

17 (a) Within ninety (90) days after receipt of the
18 transcript of the public hearing, the board shall render a
19 decision on the charter application based solely on the
20 following criteria:

21

1 (i) Whether the character, reputation, financial
2 standing and ability of the incorporators is sufficient to
3 afford reasonable promise of a successful operation;

4

5 (ii) Whether the character, financial
6 responsibility, banking or other financial experience and
7 business qualifications of those proposed as officers and
8 directors is sufficient to afford reasonable promise of a
9 successful operation;

10

11 (iii) The adequacy and plausibility of the
12 business plan of the special purpose depository bank;

13

14 (iv) Compliance with the capital and surplus
15 requirements of W.S. 13-12-110;

16

17 (v) The special purpose depository bank is being
18 formed for no other purpose than legitimate objectives
19 authorized by law;

20

21 (vi) The name of the proposed special purpose
22 depository bank does not resemble so closely as to cause

1 confusion with the name of any other financial institution
2 transacting business in the state; and

3

4 (vii) Whether the applicants have complied with
5 all applicable provisions of state law.

6

7 (b) The board shall approve an application that
8 complies with the requirements of subsection (a) of this
9 section. If an application fails to meet the requirements of
10 subsection (a) of this section, the board may conditionally
11 approve or disapprove the application. The board may also
12 conditionally approve or disapprove an application based on
13 the denial of, or any pending application relating to,
14 services under 12 U.S.C. § 248a. The board shall state
15 findings of fact and conclusions of law as part of its
16 decision. If the board approves the application, the
17 commissioner shall endorse upon the articles of incorporation
18 the approval of the board and shall transmit one (1) copy to
19 the secretary of state, retain one (1) copy and return a copy
20 to the applicants within twenty (20) days after the date of
21 the decision of the board approving the application. If the
22 board conditionally approves an application to require
23 compliance with one (1) or more of the factors set forth in

1 paragraphs (a)(i) through (vii) of this section, and upon
2 compliance by the applicants, the commissioner shall proceed
3 as provided in the preceding sentence. If the board
4 disapproves the application, the commissioner shall mail
5 notice of the disapproval to the applicants within twenty
6 (20) days of the board's disapproval.

7

8 **13-12-116. Certificate of authority to commence**
9 **business required; application; approval or denial; failure**
10 **to commence business.**

11

12 (a) If an application is approved and a charter granted
13 by the board under W.S. 13-12-115, the special purpose
14 depository bank shall not commence business before receiving
15 a certificate of authority to operate from the commissioner.
16 The application for a certificate of authority shall be made
17 to the commissioner and shall certify the address at which
18 the special purpose depository bank will operate and that all
19 adopted bylaws of the bank have been attached as an exhibit
20 to the application. The application shall state the
21 identities and contact information of officers and directors.
22 The commissioner shall approve or deny an application for a
23 certificate of authority to operate within thirty (30) days

1 after a complete application has been filed. The authority of
2 the commissioner to disapprove any application shall be
3 restricted solely to noncompliance with this section. The
4 commissioner may disapprove an application based on the
5 denial of, or any pending application relating to, services
6 under 12 U.S.C. § 248a. If the commissioner approves the
7 application, he shall issue a certificate of authority to the
8 applicants within twenty (20) days. If the commissioner
9 denies the application, he shall mail a notice of denial to
10 the applicants within twenty (20) days, stating the reasons
11 for denying the application, and grant to the applicants a
12 maximum period of ninety (90) days to resubmit the application
13 with the necessary corrections. If the applicants fail to
14 comply with requirements of the notice of denial within ninety
15 (90) days from the receipt of the notice, the charter of the
16 special purpose depository bank shall be revoked by the
17 commissioner. The failure of the commissioner to act upon an
18 application for a certificate of authority within thirty (30)
19 days shall be deemed an approval.

20

21 (b) If an approved special purpose depository bank
22 fails to commence business in good faith within six (6) months
23 after the issuance of a certificate of authority to operate

1 by the commissioner, the charter and certificate of authority
2 shall expire. The board, for good cause and upon an
3 application filed prior to the expiration of the six (6) month
4 period, may extend the time within which the special purpose
5 depository bank may open for business.

6

7 **13-12-117. Decisions by board appealable; grounds.**

8

9 Any decision of the board or commissioner in approving,
10 conditionally approving or disapproving a charter for a
11 special purpose depository bank or the issuance or denial of
12 a certificate of authority to operate is appealable to the
13 district court of the county in which the bank is to be
14 located, in accordance with the provisions of the Wyoming
15 Administrative Procedure Act. In addition to the grounds for
16 appeal contained in the Wyoming Administrative Procedure Act,
17 an appellant may appeal if the board or the commissioner fails
18 to make any of the required findings or otherwise take an
19 action required by law.

20

21 **13-12-118. Surety bond; pledged investments;**
22 **investment income; bond or pledge increases; hearings.**

23

1 (a) Except as otherwise provided by subsection (b) of
2 this section, a special purpose depository bank shall, before
3 transacting any business, pledge or furnish a surety bond to
4 the commissioner to cover costs likely to be incurred by the
5 commissioner in a liquidation or conservatorship of the
6 special purpose depository bank. The amount of the surety
7 bond or pledge of assets under subsection (b) of this section
8 shall be determined by the commissioner in an amount
9 sufficient to defray the costs of a liquidation or
10 conservatorship.

11

12 (b) In lieu of a bond, a special purpose depository
13 bank may irrevocably pledge specified capital equivalent to
14 a bond under subsection (a) of this section. Any capital
15 pledged to the commissioner under this subsection shall be
16 held in a state or nationally chartered bank or savings and
17 loan association having a principal or branch office in this
18 state. All costs associated with pledging and holding such
19 capital are the responsibility of the special purpose
20 depository bank.

21

1 (c) Capital pledged to the commissioner shall be of the
2 same nature and quality as those required for state financial
3 institutions under W.S. 9-4-805.

4

5 (d) Surety bonds shall run to the state of Wyoming, and
6 shall be approved under the terms and conditions required
7 under W.S. 9-4-804(b) and (c).

8

9 (e) The commissioner may adopt rules to establish
10 additional investment guidelines or investment options for
11 purposes of the pledge or surety bond required by this
12 section.

13

14 (f) In the event of a liquidation or conservatorship of
15 a special purpose depository bank pursuant to W.S. 13-12-122,
16 the commissioner may, without regard to priorities,
17 preferences or adverse claims, reduce the surety bond or
18 capital pledged under this section to cash as soon as
19 practicable and utilize the cash to defray the costs
20 associated with the liquidation or conservatorship.

21

1 (g) Income from capital pledged under subsection (b) of
2 this section shall be paid to the special purpose depository
3 bank, unless a liquidation or conservatorship takes place.

4

5 (h) Upon evidence that the current surety bond or
6 pledged capital is insufficient, the commissioner may require
7 a special purpose depository bank to increase its surety bond
8 or pledged capital by providing not less than thirty (30)
9 days written notice to the bank. The special purpose
10 depository bank may request a hearing before the board not
11 more than thirty (30) days after receiving written notice
12 from the commissioner under this subsection. Any hearing
13 before the board shall be held pursuant to the Wyoming
14 Administrative Procedure Act.

15

16 **13-12-119. Reports and examinations; supervisory fees;**
17 **required private insurance or bond.**

18

19 (a) The commissioner may call for reports verified
20 under oath from a special purpose depository bank at any time
21 as necessary to inform the commissioner of the condition of
22 the bank.

23

1 (b) All reports required of special purpose depository
2 banks by the commissioner and all materials relating to
3 examinations of these banks shall be subject to the provisions
4 of W.S. 9-1-512.

5
6 (c) Every special purpose depository bank is subject to
7 the examination of the commissioner. The commissioner or a
8 duly appointed examiner shall visit and examine special
9 purpose depository banks on a schedule established by rule.
10 The commissioner or a duly appointed examiner shall make a
11 complete and careful examination of the condition and
12 resources of a special purpose depository bank, the mode of
13 managing bank affairs and conducting business, the actions of
14 officers and directors in the investment and disposition of
15 funds, the safety and prudence of bank management, compliance
16 with the requirements of this chapter and such other matters
17 as the commissioner may require. After an examination, the
18 special purpose depository bank shall remit to the
19 commissioner an amount equal to the total cost of the
20 examination. This amount shall be remitted to the state
21 treasurer and deposited into the special purpose depository
22 banks subaccount created by W.S. 13-12-111(d).

23

1 (d) On or before January 31 and July 31 of each year,
2 a special purpose depository bank shall compute and pay
3 supervisory fees to the commissioner based on the total
4 deposits of the special purpose depository bank as of the
5 preceding December 31 and June 30 respectively. Supervisory
6 fees under this section shall provide for the operating costs
7 of the office of the commissioner and the administration of
8 the laws governing special purpose depository banks. Such
9 fees shall be established by rule of the commissioner and
10 shall be adjusted by the commissioner to assure consistency
11 with the cost of supervision. Supervisory fees shall be
12 deposited by the commissioner with the state treasurer and
13 credited to the special purpose depository banks subaccount
14 created by W.S. 13-12-111(d).

15

16 (e) A special purpose depository bank shall maintain
17 appropriate insurance or a bond covering the operational
18 risks of the bank, which shall include coverage for directors'
19 and officers' liability, errors and omissions liability and
20 information technology infrastructure and activities
21 liability.

22

23 **13-12-120. Suspension or revocation of charter.**

1

2 (a) The commissioner may suspend or revoke the charter
3 of a special purpose depository bank if, after notice and
4 opportunity for a hearing, the commissioner determines that:

5

6 (i) The special purpose depository bank has failed
7 or refused to comply with an order issued under W.S. 13-10-201
8 through 13-10-209;

9

10 (ii) The application for a charter contained a
11 false statement or material misrepresentation or material
12 omission; or

13

14 (iii) An officer, director or agent of the special
15 purpose depository bank, in connection with an application
16 for a charter, examination, report or other document filed
17 with the commissioner, knowingly made a false statement,
18 material misrepresentation or material omission to the board,
19 the commissioner or the duly authorized agent of the board or
20 commissioner.

21

22 **13-12-121. Continuing jurisdiction.**

23

1 If the charter of a special purpose depository bank is
2 surrendered, suspended or revoked, the bank shall continue to
3 be subject to the provisions of this chapter during any
4 liquidation or conservatorship.

5

6 **13-12-122. Failure of bank; unsound or unsafe**
7 **condition; applicability of other insolvency and**
8 **conservatorship provisions.**

9

10 (a) If the commissioner finds that a special purpose
11 depository bank has failed or is operating in an unsafe or
12 unsound condition, as defined in this section, that has not
13 been remedied within the time prescribed under W.S. 13-4-203
14 through 13-4-205 or an order of the commissioner issued
15 pursuant to W.S. 13-10-201 through 13-10-209, the
16 commissioner shall conduct a liquidation or appoint a
17 conservator as provided by W.S. 13-4-301 and 13-4-303 through
18 13-4-703.

19

20 (b) As used in this section:

21

1 (i) "Failed" or "failure" means, consistent with
2 rules adopted by the commissioner, a circumstance when a
3 special purpose depository bank has not:

4

5 (A) Complied with the requirements of W.S.
6 13-12-105;

7

8 (B) Maintained a contingency account, as
9 required by W.S. 13-12-106;

10

11 (C) Paid, in the manner commonly accepted by
12 business practices, its legal obligations to depositors on
13 demand or to discharge any certificates of deposit,
14 promissory notes or other indebtedness when due.

15

16 (ii) "Unsafe or unsound condition" means,
17 consistent with rules adopted by the commissioner, a
18 circumstance relating to a special purpose depository bank
19 which is likely to:

20

21 (A) Cause the failure of the bank, as defined
22 in paragraph (i) of this subsection;

23

1 (B) Cause a substantial dissipation of assets
2 or earnings;

3

4 (C) Substantially disrupt the services
5 provided by the bank to depositors;

6

7 (D) Otherwise substantially prejudice the
8 depository interests of depositors.

9

10 **13-12-123. Voluntary dissolution of special purpose**
11 **depository bank; liquidation; reorganization; application for**
12 **dissolution; filing fee; filing with the secretary of state;**
13 **revocation of charter.**

14

15 (a) A special purpose depository bank may voluntarily
16 dissolve in accordance with the provisions of this section.
17 Voluntary dissolution shall be accomplished by either
18 liquidating the special purpose depository bank or
19 reorganizing the bank into an appropriate business entity
20 that does not engage in any activity authorized only for a
21 special purpose depository bank. Upon complete liquidation or
22 completion of the reorganization, the commissioner shall
23 revoke the charter of the special purpose depository bank and

1 afterward, the company shall not use the word "special purpose
2 depository bank" or "bank" in its business name or in
3 connection with its ongoing business.

4

5 (b) The special purpose depository bank may dissolve
6 its charter either by liquidation or reorganization. The
7 board of directors shall file an application for dissolution
8 with the commissioner, accompanied by a filing fee
9 established by rule of the commissioner. The application
10 shall include a comprehensive plan for dissolution setting
11 forth the proposed disposition of all assets and liabilities,
12 in reasonable detail to effect a liquidation or
13 reorganization, and any other plans required by the
14 commissioner. The plan of dissolution shall provide for the
15 discharge or assumption of all of the known and unknown claims
16 and liabilities of the special purpose depository bank.
17 Additionally, the application for dissolution shall include
18 other evidence, certifications, affidavits, documents or
19 information as the commissioner may require, including
20 demonstration of how assets and liabilities will be disposed,
21 the timetable for effecting disposition of the assets and
22 liabilities and a proposal of the special purpose depository
23 bank for addressing any claims that are asserted after

1 dissolution has been completed. The commissioner shall
2 examine the application for compliance with this section, the
3 business entity laws applicable to the required type of
4 dissolution and applicable rules. The commissioner may
5 conduct a special examination of the special purpose
6 depository bank, consistent with W.S. 13-12-119(c), for
7 purposes of evaluating the application.

8

9 (c) If the commissioner finds that the application is
10 incomplete, the commissioner shall return it for completion
11 not later than sixty (60) days after it is filed. If the
12 application is found to be complete by the commissioner, the
13 commissioner shall approve or disapprove the application not
14 later than thirty (30) days after it is filed. If the
15 commissioner approves the application, the special purpose
16 depository bank may proceed with the dissolution pursuant to
17 the plan outlined in the application, subject to any further
18 conditions the commissioner may prescribe. If the special
19 purpose depository bank subsequently determines that the plan
20 of dissolution needs to be amended to complete the
21 dissolution, it shall file an amended plan with the
22 commissioner and obtain approval to proceed under the amended
23 plan. If the commissioner does not approve the application or

1 amended plan, the special purpose depository bank may appeal
2 the decision to the board pursuant to the Wyoming
3 Administrative Procedure Act.

4

5 (d) Upon completion of all actions required under the
6 plan of dissolution and satisfaction of all conditions
7 prescribed by the commissioner, the special purpose
8 depository bank shall submit a written report of its actions
9 to the commissioner. The report shall contain a certification
10 made under oath that the report is true and correct.
11 Following receipt of the report, the commissioner, no later
12 than sixty (60) days after the filing of the report, shall
13 examine the special purpose depository bank to determine
14 whether the commissioner is satisfied that all required
15 actions have been taken in accordance with the plan of
16 dissolution and any conditions prescribed by the
17 commissioner. If all requirements and conditions have been
18 met, the commissioner shall, within thirty (30) days of the
19 examination, notify the special purpose depository bank in
20 writing that the dissolution has been completed and issue a
21 certificate of dissolution.

22

1 (e) Upon receiving a certificate of dissolution, the
2 special purpose depository bank shall surrender its charter
3 to the commissioner. The special purpose depository bank
4 shall then file articles of dissolution and other documents
5 required by W.S. 17-16-1401 through 17-16-1440 for a
6 corporation with the secretary of state. In the case of
7 reorganization, the special purpose depository bank shall
8 file the documents required by the secretary of state to
9 finalize the reorganization.

10

11 (f) If the commissioner determines that all required
12 actions under the plan for dissolution, or as otherwise
13 required by the commissioner, have not been completed, the
14 commissioner shall notify the special purpose depository
15 bank, not later than thirty (30) days after this
16 determination, in writing what additional actions shall be
17 taken in order for the bank to be eligible for a certificate
18 of dissolution. The commissioner shall establish a reasonable
19 deadline for the submission of evidence that additional
20 actions have been taken and the commissioner may extend any
21 deadline upon good cause. If the special purpose depository
22 bank fails to file a supplemental report showing that the
23 additional actions have been taken before the deadline, or

1 submits a report that is found not to be satisfactory by the
2 commissioner, the commissioner shall notify the special
3 purpose depository bank in writing that its voluntary
4 dissolution is not approved, and the bank may appeal the
5 decision to the board pursuant to the Wyoming Administrative
6 Procedure Act.

7

8 **13-12-124. Failure to submit required report; fees;**
9 **rules.**

10

11 If a special purpose depository bank fails to submit any
12 report required by this chapter or by rule within the
13 prescribed period, the commissioner may impose and collect a
14 fee for each day the report is overdue, as established by
15 rule.

16

17 **13-12-125. Willful failure to perform duties imposed by**
18 **law; removal.**

19

20 (a) Each officer, director, employee or agent of a
21 special purpose depository bank, following written notice
22 from the commissioner, is subject to removal upon order of
23 the commissioner if he knowingly or willfully fails to:

1

2 (i) Perform any duty required by this act or other
3 applicable law; or

4

5 (ii) Conform to any rule or order of the
6 commissioner.

7

8 **13-12-126. Rules.**

9

10 The commissioner shall adopt all rules necessary to implement
11 this chapter, consistent with W.S. 13-12-107.

12

13 **Section 3.** W.S. 13-1-101(a)(i) and by creating a new
14 paragraph (xvi), 13-1-201, 13-1-203, 13-1-204, 13-1-605(b) by
15 creating a new paragraph (vii), 13-2-103 and 13-10-201(a)(iv)
16 are amended to read:

17

18 **13-1-101. Definitions.**

19

20 (a) As used in this act, unless another definition is
21 specifically provided for a section, article or chapter of
22 this act:

23

1 (i) "Bank" means any corporation, excluding
2 national banks, having a place of business within this state
3 which engages in banking business, and includes a special
4 purpose depository bank, subject to the limitations set forth
5 in W.S. 13-12-101 through 13-12-126;
6

7 (xvi) "Special purpose depository bank" means a
8 corporation operating pursuant to W.S. 13-12-101 through
9 13-12-126.
10

11 **13-1-201. Generally.**

12
13 Subject to W.S. 13-12-102, this act applies to all banks in
14 this state organized under this act and to national banks
15 where specifically provided by the text.
16

17 **13-1-203. Compliance required.**

18
19 No person or entity shall carry on a banking business except
20 in compliance with this act or W.S. 13-12-101 through
21 13-12-126.
22

23 **13-1-204. Use of terms or names.**

1

2 (a) No person or entity shall advertise, issue or
3 circulate any paper or exhibit any sign using any of the terms
4 "bank", "banker", "banking", "special purpose depository
5 bank", or words of similar import, or use the name of any
6 other financial institution as defined by W.S.
7 13-1-101(a)(ix) until they have fully complied with this act
8 or W.S. 13-12-101 through 13-12-126.

9

10 (b) Consistent with subsection (a) of this section, a
11 special purpose depository bank may refer to itself as a bank.

12

13 **13-1-605. State banking board; meetings; compensation;**
14 **purpose.**

15

16 (b) The banking board shall:

17

18 (vii) Perform the duties prescribed in W.S.
19 13-12-101 through 13-12-126.

20

21 **13-2-103. Federal deposit insurance.**

22

1 (a) All banks, except special purpose depository banks,
2 shall obtain insurance of their deposits by the United States
3 and shall subscribe for insurance of deposit accounts by the
4 federal deposit insurance corporation (FDIC).

5

6 (b) Nothing in this section shall be construed as
7 prohibiting a special purpose depository bank from obtaining
8 FDIC insurance, if available.

9

10 **13-10-201. Definitions.**

11

12 (a) As used in this article:

13

14 (iv) "Wyoming financial institution" means any
15 bank, savings and loan association, special purpose
16 depository bank or trust company chartered or organized under
17 the laws of Wyoming.

18

19 **Section 4.** Consistent with this act, the banking
20 commissioner shall adopt rules governing special purpose
21 depository banks on or before October 1, 2019, provided these
22 rules shall not take effect until October 1, 2019.

23

1 **Section 5.**

2

3 (a) Except as otherwise provided by subsection (b) of
4 this section, this act is effective October 1, 2019.

5

6 (b) Section 4 of this act is effective immediately upon
7 completion of all acts necessary for a bill to become law as
8 provided by Article 4, Section 8 of the Wyoming Constitution.

9

10

(END)