



State of Tennessee

PUBLIC CHAPTER NO. 230

SENATE BILL NO. 510

By Johnson

Substituted for: House Bill No. 514

By Sargent, Durham, Casada

AN ACT to amend Tennessee Code Annotated, Title 45, Chapter 2, Part 19, relative to credit card state banks.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-2-1901, is amended by deleting subdivision (3) and substituting instead the following:

(3)(A) "Domestic holding company" means a company, itself or through its parent company, subsidiary, or other affiliate, that either:

(i) Controls a domestic or foreign lender and has its principal place of business in this state; or

(ii) Controls a company, or is a company, that:

(a) Is licensed pursuant to chapter 7 of this title;

(b) Has a consolidated net worth of not less than twenty-five million dollars (\$25,000,000); and

(c) Has had its principal place of business in this state for at least five (5) consecutive years, including the company's predecessor by merger;

(B) "Domestic holding company" also means a company that is controlled by, or under common control with, a company described in subdivision (3)(A)(ii). For purposes of this subdivision (3)(B), "under common control" means no less than fifty percent (50%) ownership;

(C) Effective July 1, 2018, subdivisions (3)(A)(ii) and (3)(B) are hereby deleted. Also effective July 1, 2018, the language ", itself or through its parent company, subsidiary, or other affiliate," in subdivision (3)(A) is hereby deleted. However, any company that organized pursuant to subdivision (3)(A), or (3)(B), and this part prior to July 1, 2018, and that continues to own or control a credit card state bank after July 1, 2018, shall retain authority to own or control a credit card state bank under the terms and conditions provided in this part.

SECTION 2. Tennessee Code Annotated, Section 45-2-1901, is amended by deleting subdivision (1) and substituting instead the following:

(1) "Control" has the meaning set forth in 12 U.S.C. § 1841(a)(2);

SECTION 3. Tennessee Code Annotated, Section 45-2-1902, is amended by deleting subdivisions (a)(2) and (d)(1)(B) and substituting instead the following:

(a)(2) Effective July 1, 2018, the language ", including a domestic holding company," in subdivision (a)(1) is hereby deleted. However, any company that organized pursuant to such language, § 45-2-1901(3)(A)(ii) or (3)(B), and this part prior to July

1, 2018, and that continues to own or control a credit card state bank after July 1, 2018, shall retain authority to own or control a credit card state bank under the terms and conditions provided in this part.

(d)(1)(B) Effective July 1, 2018, the language "or debit, including prepaid debit," in subdivision (d)(1)(A) is hereby deleted. However, any company that organized pursuant to such language, § 45-2-1901(3)(A)(ii) or (3)(B), and this part prior to July 1, 2018, and that continues to own or control a credit card state bank after July 1, 2018, shall retain authority to own or control a credit card state bank under the terms and conditions provided in this part;

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 510

PASSED: April 8, 2015



RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 21st day of April 2015



BILL HASLAM, GOVERNOR