

STATE OF FLORIDA
DEPARTMENT OF BANKING AND FINANCE
DIVISION OF BANKING

IN RE:

FLORIDA-CHARTERED BANKS -)
INVESTMENT IN OUT-OF-STATE)
SAVINGS AND LOAN ASSOCIATION)
CERTIFICATES OF DEPOSIT)
_____)

84-1 OGA
Docketed - 4/6/84

ORDER OF GENERAL APPLICATION

In exercise of the powers and authority vested in the Department of Banking and Finance (hereinafter Department), pursuant to Sections 655.012(3) and 655.061, Florida Statutes (1983), it is determined:

- 1) That Section 658.67(3)(b), Florida Statutes, restricts Florida-chartered banks wishing to invest in Savings and Loan Association Certificates of Deposit to those offered by associations having their principal place of business in this state.
- 2) That an exhaustive review reveals that no such geographic restriction has been placed on National Banks wishing to make similar investments.
- 3) That the Department finds no substantive difference between the credit quality of Florida based and non-Florida based Savings and Loan Association Certificates of Deposit.
- 4) Section 655.061, Florida Statutes, provides:

655.061 Competitive equality with federally organized or chartered financial institutions. --Subject to the prior approval of the department pursuant to rule or order of general application, state financial institutions subject to this chapter and the financial institutions codes may make any loan or investment or exercise any power which they could make or exercise if incorporated or operating in this

state as a federally chartered or regulated financial institution of the same type and shall be entitled to all privileges and protections granted federally chartered or regulated financial institutions of the same type under federal statutes and regulations. The provisions of this section shall take priority over, and be given effect over, any other general or specific provisions of this chapter and the financial institutions codes to the contrary. In issuing an order or rule under this section, the department shall consider the importance of maintaining a competitive dual system of financial institutions and whether such an order or rule is in the public interest. However, nothing contained in this section shall be construed to grant any power or right to establish any branch of a bank not otherwise expressly authorized by chapter 658.

5) That it is in the public interest and important to the maintenance of a competitive dual system of regulation for Florida-chartered banks to exercise the same powers with reference to investment in Savings and Loan Association Certificates of Deposit as National Banks.

IT IS THEREFORE ORDERED:

1) That Florida-chartered banks may invest in Savings and Loan Association Certificates of Deposit as provided for by Section 658.67(3)(b), Florida Statutes, but without regard to the geographical location of the association's principal office.

DONE AND ORDERED this 6th day of April., 1984, in Tallahassee, Florida.

GERALD LEWIS
Comptroller, State of Florida