

**7-1-708 Establishing branches and relocating offices -- Application and procedure for approval -- Nonexempt credit unions.**

- (1) A Utah depository institution or an out-of-state depository institution with a Utah branch or seeking to acquire a branch in this state may establish one or more branches, or relocate a branch office or its main office in this state, subject to the prior approval of the commissioner.
- (2) The approval of the commissioner required by Subsection (1) may be obtained by:
  - (a) filing an application with the department in a form the commissioner prescribes; and
  - (b) supplementing the application with information the commissioner considers material to determining whether to approve the application.
- (3)
  - (a) The commissioner shall approve or disapprove an application within 30 days after accepting the application as complete.
  - (b) If the commissioner does not approve or disapprove an application within the time stated in Subsection (3)(a), the application is considered approved.
- (4)
  - (a) The commissioner shall cause a supervisor to make an investigation of the facts relevant or material to an application.
  - (b) The supervisor that conducts the investigation required by Subsection (4)(a) shall submit written findings and recommendations to the commissioner.
- (5) An application, any supplemental information furnished by the applicant, and the findings and recommendations of the supervisor may be inspected by any person at the department's office, except those portions of the application the commissioner declares to be confidential to prevent a clearly unwarranted invasion of privacy, pursuant to the applicant's request.
- (6) To protect the safety and soundness of the applicant, the commissioner may:
  - (a) approve an application subject to the terms and conditions the commissioner considers necessary; or
  - (b) disapprove an application.
- (7)
  - (a) The commissioner's approval of any application under this section is considered revoked, unless the office is opened and operating within one year of the date approved by the commissioner for commencement of operations.
  - (b) The commissioner may extend the date for activation for up to two additional periods of not more than six months each:
    - (i) upon written application made before the expiration of a period; and
    - (ii) for good cause shown.
- (8) An out-of-state depository institution with a branch in Utah is not subject to the requirements of this section if the office or branch to be established or relocated is located outside of Utah.
- (9)
  - (a) For purposes of determining whether a nonexempt credit union may establish a branch, a nonexempt credit union is considered to be establishing a branch if the nonexempt credit union establishes:
    - (i) notwithstanding Section 7-1-103, a loan production office; or
    - (ii) any other office or facility that:
      - (A) is owned or operated by:
        - (I) the nonexempt credit union; or
        - (II) a credit union service organization in which the nonexempt credit union holds an ownership interest;
      - (B) is open to the public; and

(C) provides any product or service of the nonexempt credit union to a member of the nonexempt credit union.

(b) This section may not be interpreted as authorizing a loan production office to engage in any activity that a loan production office is not authorized to engage in under Section 7-1-715.

Amended by Chapter 327, 2003 General Session