

Opinion No. 19-2349

August 29, 1919

BY: N. D. MEYER, Assistant Attorney General

TO: Mr. J. B. Read, Deputy State Bank Examiner, Santa Fe, N.M.

State Banks May Not Maintain Branches.

OPINION

Referring to your letter of August 28 in which you ask us to advise you as to whether or not State Banks are permitted to maintain branches in New Mexico we beg to state that section 47 of Chapter 67 of the Session Laws of 1915 appear to answer this question. Said section is as follows:

"Every bank shall be conducted at a single place of business and no branch thereof shall be maintained elsewhere; provided, however, that nothing herein contained shall be construed to prohibit any mercantile corporation which maintains a banking department in accordance with the provisions of this act, from receiving deposits and buying and selling exchange at any of its branch stores."

I am returning to you herewith the letter from Pierre Jay, Chairman of the Board of Directors of the Federal Reserve Bank of New York, which was sent to us referring to the above.

We trust that this will satisfactorily give you the information that you wish. We beg to remain