

LD1219156

## HOUSE BILL NO. 570

House Amendments in [ ] — February 14, 1994

A *BILL to amend the Code of Virginia by adding in Title 6.1 a chapter numbered 1.2, consisting of sections numbered 6.1-2.16, 6.1-2.17 and 6.1-2.18, relating to compliance review committees for banks and savings institutions.*

Patron—Cohen

Referred to Committee on Corporations, Insurance and Banking

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Title 6.1 a chapter numbered 1.2, consisting of sections numbered 6.1-2.16, 6.1-2.17 and 6.1-2.18, as follows:**

**[ CHAPTER 1.2****Compliance Review Committees ]****§ 6.1-2.16. Definitions.**

*As used in this chapter, the following terms shall have the following meanings:*

*"Bank" means a bank as defined in § 6.1-4.*

*"Compliance Review Committee" means a committee appointed by a bank's or by a savings institution's board of directors for the purpose of evaluating and improving the bank's or savings institution's compliance with federal and state laws and adherence to its own established ethical and financial standards. The definition of compliance review committee includes any other person when that person acts in an investigatory capacity at the direction of a compliance review committee; however, the work product created by any person prior to his participation in the work of the compliance review committee or at the direction of the compliance review committee shall be subject to the rules governing discovery in accordance with the Rules of the Virginia Supreme Court.*

*"Person" means an individual, group of individuals, board, committee, partnership, firm, association, corporation or other entity.*

*"Savings institution" means a savings institution as defined in § 6.1-194.2.*

**§ 6.1-2.17. Compliance review committee documents.**

*A. Any records, reports or other documents created by a compliance review committee are confidential and are not discoverable or admissible in evidence in any civil action [ except upon motion and in the discretion of the trial court if it determines that there has been an abuse of the provisions of this chapter ] .*

*B. Any records, reports or other documents produced by a compliance review committee and delivered to a federal or state governmental agency remain confidential and are not discoverable or admissible in evidence in any civil action, except to the extent [ that applicable law expressly authorizes their disclosure that they are not protected from disclosure under applicable laws ] .*

*[ C. In no event shall the existence of or any action by a compliance review committee serve as a basis or justification for delay of, or limit upon, the discovery process set forth in state or federal rules.*

*]*

**§ 6.1-2.18. Effect of chapter; discovery or admissibility not limited under certain circumstances.**

*This chapter shall not be construed to limit the discovery or admissibility in any civil action of any records, reports or other documents that are not created by a compliance review committee, nor shall it be construed to limit the discovery or admissibility of any factual information which may be reviewed by a compliance review committee.*

ENGROSSED

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