

LD6919320

HOUSE BILL NO. 2082

Offered January 23, 1995

A BILL to amend and reenact § 6.1-225.20 of the Code of Virginia, relating to credit unions; shared service facilities.

Patrons—Keating, Bennett, Callahan, Clement, Cohen, Crouch, Deeds, Hall, Jackson, Moore, Newman, Plum, Reynolds, Rhodes, Robinson, Watkins and Woodrum; Senators: Andrews, Earley, Holland, E.M. and Reasor

Referred to Committee on Corporations, Insurance and Banking

Be it enacted by the General Assembly of Virginia:

1. That § 6.1-225.20 of the Code of Virginia is amended and reenacted as follows:

§ 6.1-225.20. Establishing, moving, closing offices.

A. A credit union may maintain service facilities at locations other than its main office if the maintenance of such offices is reasonably necessary to serve its members, subject to the approval of the Commission. An application to establish such a service facility, accompanied by a fee of \$200, shall be made on a form prescribed by the Commission. The Commission shall approve the establishment of the proposed service facility if it appears that the interest of the members of the applicant will be served thereby and that such establishment will not impair the financial condition of the applicant or any other credit union.

B. *Notwithstanding the provisions of subsection A of this section, a credit union may join with one or more other credit unions subject to this chapter or organized under the laws of the United States or any other state in the operation of one or more shared service facilities, provided the credit union gives written notice to the Commissioner of its participation in each such shared service facility. Such notice shall be provided by a credit union within thirty days of (i) the date of the opening of the shared service facility or (ii) the date the credit union becomes a participant in the shared service facility, whichever shall last occur. A shared service facility may be operated by one or more other persons who contract with credit unions subject to this chapter or organized under the laws of the United States or any other state to operate the shared service facility.*

The authority of the Commission and the Commissioner to supervise and regulate credit unions, as set forth in Article 2 (§ 6.1-225.3 et seq.) of this chapter, shall extend to any shared service facility and any credit union service organization that is involved in the operation of a shared service facility which provides service to credit unions organized under this chapter, except that such authority shall not extend to the assets, records, books, and accounts of any federal credit union or credit union organized under the laws of another state.

BC. A credit union may change the location of its main office, a service facility, or office, and may close any such office, provided it gives at least thirty days' prior written notice thereof to the Commissioner in such form as he may prescribe. A credit union shall notify the Commissioner in writing within ten days after it establishes, relocates, or closes any office.

INTRODUCED

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