

VIRGINIA ACTS OF ASSEMBLY -- 1997 SESSION

CHAPTER 111

An Act to amend and reenact § 6.1-5.1 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 6.1-225.3:1, relating to state banks; credit unions; amendment of powers by regulation.

[S 857]

Approved March 6, 1997

Be it enacted by the General Assembly of Virginia:

1. That § 6.1-5.1 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 6.1-225.3:1 as follows:

§ 6.1-5.1. Amendment of powers of state banks by regulation of the Commission.

A. In addition to the powers specifically granted to banks by the provisions of this chapter, the State Corporation Commission may by appropriate regulation amend the powers of state banks so as to allow such state banks to engage in any activity in which a bank subject to the jurisdiction of the federal government may be authorized by federal legislation or regulation to engage. The Commission shall adopt such regulation only after public hearing thereon, notice of which shall be sent to every bank authorized under the laws of this Commonwealth to conduct its business in Virginia. Such regulations shall be effective upon their adoption, and shall continue in effect until ninety days following the adjournment sine die of the next regular session of the General Assembly of Virginia following their adoption, after which new regulations may be adopted pursuant to the provisions of this section.

B. The Commission may further adopt regulations defining what is or is not a branch within § 6.1-39.3 and further defining what activities are or are not. Furthermore, by adopting regulations the Commission may specify the activities that are permitted to be conducted at a location which is not authorized as a branch under § 6.1-39.3, so as to allow a state bank to engage in any activity in which a bank subject to the jurisdiction of the federal government may engage, at a location other than a branch established under 12 U.S.C. § 36. Such regulation shall remain in effect until modified or revoked by the State Corporation Commission or by the General Assembly. The requirement of a public hearing shall not automatically apply to regulations promulgated under this subsection, but the State Corporation Commission may have such hearing as it deems appropriate. Regulations authorized by this section shall be adopted as provided in the Commission's Rules of Practice and Procedure (5 VAC 5-10-10 et seq.).

§ 6.1-225.3:1. Regulations to permit state chartered credit unions to have powers comparable to federal credit unions.

The Commission is authorized to adopt such regulations as may be necessary to permit state chartered credit unions to have powers comparable with those of federally chartered credit unions regardless of any then existing statute, regulation or court decision limiting or denying such powers to state chartered credit unions. The requirement of a public hearing shall not automatically apply to regulations promulgated under this section, but the Commission may have such hearings as it deems appropriate.