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HOUSE BILL NO. 2080

Offered January 14, 1997

A *BILL to amend and reenact § 6.1-94 of the Code of Virginia, to amend the Code of Virginia by adding in a section numbered 6.1-39.4:1, and to repeal § 6.1-39.4 of the Code of Virginia, relating to banking; electronic fund transfers; fees for supervision and regulation.*

Patron—Keating

Referred to Committee on Corporations, Insurance and Banking

Be it enacted by the General Assembly of Virginia:

1. That § 6.1-94 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 6.1-39.4:1 as follows:

§ 6.1-39.4:1. Electronic fund transfers; authority to utilize.

A. A bank may establish and operate electronic, computer or similar terminals and may otherwise provide for electronic fund transfers by its customers, provided: (i) the bank complies with the Electronic Fund Transfer Act (15 U.S.C. § 1693, ff.) and Regulation E of the Federal Reserve Board, and (ii) in the case of any proposed terminal at which deposits are received or recorded or loan proceeds disbursed, the bank files prior written notice of the proposal with the Commission on forms prescribed by the Commission and pays a fee not to exceed \$350 per terminal.

B. The Commission shall have twenty-five days from receipt of the notice to review the proposal. The Commission may deny the proposal on grounds that: the bank has failed to comply with federal electronic fund transfer laws or regulations, the bank lacks the resources to operate the proposed facilities successfully, or the proposal is not in the public interest. If the Commission does not issue a denial within twenty-five days, the bank may establish the terminal or terminals.

C. The notice required by clause (ii) of subsection A need not be given if the terminal is on bank premises or premises properly considered part of an authorized office of the bank, nor shall such notice be required in the case of any terminal which does not receive or record deposits or disburse loan proceeds. Out-of-state banks (as defined in § 6.1-44.2) may establish and operate electronic terminals in this Commonwealth, provided (i) any such bank complies with all home state and federal laws applicable to such terminals, and (ii) in the case of any proposed terminal at which deposits are received or recorded or loan proceeds disbursed, the bank furnishes to the Commission a copy of any notice or application filed with the bank's home state supervisor or responsible federal banking agency, at the time such notice or application is filed. The Commission may promulgate regulations affecting electronic fund transfers by banks, if it finds such regulations necessary for the protection of the public interest.

§ 6.1-94. Fees for supervision and regulation and for certain examinations and investigations.

Every bank shall pay for its supervision and regulation annual and additional fees as follows:

A bank's annual fee shall be calculated according to a schedule set by the Commission; such schedule shall bear a reasonable relationship to the assets of various individual banks and to other factors relating to their respective costs for supervision, regulation, and examination.

For the supervision and regulation of trust departments, the Commission shall charge an additional fee of \$330 per day per examiner during examinations.

For investigating an application for a certificate of authority pursuant to § 6.1-13, the Commission shall charge a fee of \$10,000.

For investigating an application for authority to establish a branch pursuant to § 6.1-39.3 or a facility pursuant to § 6.1-42, the Commission shall charge a fee of \$1,800.

For investigating an application of merger, the Commission shall charge a fee of \$7,500 and shall not be entitled to any further fees for investigating any application to retain existing branches of the applying banks as branches of the merged bank.

For investigating an application for authority to change the location of an existing bank or branch bank, the Commission shall charge a fee of \$1,000.

For investigating an application for authority to exercise trust powers, the Commission shall charge a fee of \$2,000.

For investigating an application for electronic, computer, or similar terminal under § 6.1-39.4, the Commission shall charge such fee as it determines will properly defray its costs in processing such application not to exceed \$450 per application.

2. That § 6.1-39.4 of the Code of Virginia is repealed.

INTRODUCED

HB2080