

VIRGINIA ACTS OF ASSEMBLY -- 1999 SESSION

CHAPTER 545

An Act to amend and reenact § 6.1-39.3 of the Code of Virginia, relating to banking and finance; bank branches.

[H 2250]

Approved March 27, 1999

Be it enacted by the General Assembly of Virginia:

1. That § 6.1-39.3 of the Code of Virginia is amended and reenacted as follows:

§ 6.1-39.3. When and where branch banks may be established; redesignation of main office.

A. ~~When satisfied that the public interest as defined in subdivision 4 of subsection A of § 6.1-13 will be served, the State Corporation Commission may authorize banks, having paid-up and unimpaired capital and surplus in an amount deemed necessary to warrant additional expansion, to establish branches. The State Corporation Commission when satisfied that the public interest will be served may authorize the relocation of a main or branch office.~~

B. ~~In applying the test of "public interest" specified herein, the Commission shall follow the policy of favoring smaller institutions and of not encouraging undue concentration of resources. A bank may establish and operate one or more branch offices, and a bank may relocate a main or branch office, provided the bank applies to the Commission for authority to establish or relocate any such office. Applications shall be made in writing on a form prescribed by the Commission and shall be accompanied by a fee not to exceed the amounts set by § 6.1-94.~~

The Commission shall have thirty days from the date it receives a complete application in which to review a branch proposal or a proposed relocation; the review period may be extended for an additional thirty days. The Commission may deny such an application, if the Commission finds that a proposal would have a detrimental effect on the applicant bank's safety and soundness, or that it is otherwise not in the public interest. A branch office that has been denied shall not be established; a relocation that has been denied shall not be carried out. If the Commission does not issue a denial of a branch proposal or a proposed relocation in thirty days, or sixty days in the case of an extended review period, the proposed branch office or offices, or the proposed relocation, shall be authorized, and the branch or branches may be established and operated, or the relocation may be completed.

C. ~~B.~~ The office at which a bank begins business shall be designated initially as its main office. Thereafter, the board of directors may redesignate as the main office any authorized office of the bank in Virginia. The bank shall notify the Commission of any such redesignation not later than thirty days before its effective day and confirm the redesignation to the Commission within ten days of its occurrence.