

1999 SESSION

INTRODUCED

993347492

HOUSE BILL NO. 2250

Offered January 21, 1999

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

Patrons—Woodrum, Deeds, Johnson and Ware

Referred to Committee on Corporations, Insurance and Banking

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~~ *safety and soundness of the bank will not be impaired*, 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 *also* 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.~~

C. 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.

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