WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1943

ENROLLED

SENATE BILL No. 131

(By Mr. Allen)

PASSED March 12, 1943

In Effect Thirty days from Passage
AN ACT to amend chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, by adding thereto a new article to be known as article six-a, relating to the federal savings and loan insurance corporation.

Be it enacted by the Legislature of West Virginia:

That chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, be amended by adding thereto a new article, to be known as article six-a, to read as follows:


Section 1. Powers of Eligible Institutions. Any insti-
Enrolled S. B. No. 131

2 tuition eligible for insurance under the provisions of title
3 four of the national housing act, approved the twenty-
4 seventh day of June, one thousand nine hundred thirty-
5 four, as amended, is hereby empowered to do all things
6 necessary to obtain, continue, or terminate such insurance
7 from the federal savings and loan insurance corpora-
8 tion, and every action heretofore taken by any such insti-
9 tution in connection with such insurance is hereby rati-
10 fied and confirmed.

Sec. 2. Powers as Receiver; Appointments. The fed-
2 eral savings and loan insurance corporation, created by
3 title four of the national housing act, approved the
4 twenty-seventh day of June, one thousand nine hun-
5 dred thirty-four, as amended, is hereby authorized and
6 empowered to be and act without bond as receiver or
7 liquidator of any building and loan association, the shares,
8 share accounts, or accounts in which are to any extent
9 insured by said corporation, and which shall have been
10 taken over for liquidation.

The appropriate state authority having the right to ap-
12 point a receiver or liquidator of any such insured associa-
tion shall, in the event of the taking over of any such insured association for liquidation, tender to said corporation the appointment as receiver or liquidation thereof. If the corporation accepts such appointment, it shall have and possess all the powers and privileges provided by the laws of this state with respect to a receiver or liquidator of a building and loan association, its shareholders, investors, and other creditors, and be subject to all the duties of such receiver or liquidator.

Sec. 3. Subrogation to Rights of Shareholder. Whether or not the federal savings and loan insurance corporation shall serve as receiver or liquidator of any such insured association, whenever it shall pay or make available for payment the liabilities of any such insured association which are insured by it, it shall, upon the surrender and transfer to it of any share, share account, or account insured by it, be subrogated with respect to such share, share account, or account, but such surrender and transfer of such share, share account, or account shall not affect any right which the transferor thereof may have in any portion of such share, share account, or account which is
Enrolled S. B. No. 131]  4

13 uninsured or any right to participate in the distribution
14 of the net proceeds remaining from the disposition of the
15 assets of such insured association: Provided, That the
16 rights of the holders of shares, share accounts, or accounts
18 of any such insured association shall be determined in
19 accordance with the applicable provisions of the laws
20 of this state.

Sec. 4. Examinations; Reports. The state banking com-
2 missioner is authorized to accept, in his discretion, in lieu
3 of any examination authorized by the laws of this state
4 to be conducted by his department of a building and loan
5 association which has the insurance protection provided
6 by title four of the national housing act, as amended, the
7 examination that may have been made of same within
8 a reasonable period by the federal home loan bank ad-
9 ministration, a federal home loan bank, or the federal
10 savings and loan insurance corporation, provided a copy
11 of said examination is furnished to said state banking
12 commissioner. Said state banking commissioner may,
13 also, in his discretion, accept any report relative to the
14 condition of any such insured association which may have
been obtained by the federal home loan bank administration, a federal home loan bank, or the federal savings and loan insurance corporation within a reasonable period, in lieu of a report authorized by the laws of this state to be required of such association by his department, provided a copy of such report is furnished to said state banking commissioner.

Said state banking commissioner may furnish to the federal home loan bank administration, a federal home loan bank, or the federal savings and loan insurance corporation, or to any official or examiner thereof, a copy or copies of any or all examinations made of any such insured association and of any or all reports made by same, and shall give access to and disclose to the federal home loan bank administration, a federal home loan bank, or the federal savings and loan insurance corporation, or any official or examiner thereof, any and all information possessed by the office of said state banking commissioner with reference to the conditions or affairs of any such insured institution.
Nothing in this section shall be construed to limit the
duty of any such insured association to comply with the
provisions of the federal home loan bank act or the na-
tional housing act, their amendments or substitutions, or
the requirements of the federal home loan bank admin-
tration, a federal home loan bank, or the federal savings
and loan insurance corporation relative to examinations
and reports, nor to limit the powers of the state banking
commissioner with reference to examinations and re-
ports under existing law.

Sec. 5. Title to Property Vested in Receiver. Upon
the acceptance of the appointment as receiver or liquida-
tor as aforesaid by the federal savings and loan insurance
corporation, the possession of and title to all the assets,
business and property, of every kind and nature, of such
insured association shall pass to and vest in said cor-
poration without the execution of any instruments of con-
veyance, assignment, transfer or endorsement.

Sec. 6. When Fact of Corporation Not a Personal Lia-
bility. Except as otherwise in writing specifically agreed
by the federal savings and loan insurance corporation, no
transaction contract, undertaking, or agreement, and no
exercise by said corporation of any of the rights, powers,
privileges and/or authority by this act or otherwise vested
in it as receiver or liquidator or with respect to any re-
ceivership or liquidation shall constitute a personal debt,
obligation, or liability of or on the part of said cor-
poration.
The Joint Committee on Enrolled Bills hereby certifies that
the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the

Takes effect

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the 19th
day of March, 1943.

Governor.

Filed in the office of the Secretary of State
of West Virginia MAR 19 1943

Wm. S. O'Brien,
Secretary of State