WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1962

ENROLLED

HOUSE BILL No....6......

(By Mr. Speaker, Mr. Singleton)

PASSED. January 26, 1962

In Effect From Passage

Filed in Office of the Secretary of State
of West Virginia FEB 5 1962

JOE F. BURDETT
SECRETARY OF STATE
ENROLLED

House Bill No 6
(By MR. SPEAKER, MR. SINGLETON)

[Passed January 26, 1962; in effect from passage.]

AN ACT to amend and reenact section six, article four, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the powers of banking institutions and in particular authorizing a banking institution organized under said chapter thirty-one to invest up to two per cent of its capital and surplus in the capital stock of small business investment companies licensed under an act of Congress known as the “Small Business Investment Act of 1958”, as amended.


Be it enacted by the Legislature of West Virginia:

That section six, article four, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:
Section 6. Powers of Banking Institutions Defined.—

Any banking institution, organized under this chapter, shall have and exercise all of the powers necessary for, or incidental to, the business of banking, and, without limiting or restricting such general powers, it shall have the right to buy or discount promissory notes, and bonds, negotiate drafts, bills of exchange and other evidences of indebtedness, borrow money, receive deposits on such terms and conditions as its officers may prescribe, buy and sell exchange, bank notes, bullion or coin, loan money on personal or other security, rent safety deposit boxes, and receive on deposit, for safekeeping, jewelry, plate, stocks, bonds and personal property of whatsoever description.

Any banking institution may accept, for payment at a future date, drafts drawn upon it by its customers, and issue letters of credit authorizing the holders thereof to draw drafts upon it or its correspondents, at sight or on time, not exceeding one year.

Any banking institution organized under this chapter may hereafter invest in the capital stock of small business investment companies chartered under the laws of this
state, which are licensed under the act of Congress known
as the "Small Business Investment Act of 1958", as
amended: Provided, That in no event shall any such bank
hold shares in small business investment companies in
any amount aggregating more than two per cent of the
combined capital and surplus of such banking institution.
Any banking institution may acquire, own, hold, use
and dispose of, real estate, which shall in no case be car-
ried on its books at a value greater than the actual cost,
subject to the following limitations and for the following
purposes:
(a) Such as shall be necessary for the convenient trans-
action of its business, including, in the same building with
its office or banking room, other offices or apartments to
rent as a source of income; such investment hereafter
made shall not exceed sixty-five per cent of the amount
of its capital stock and surplus, unless the consent in writ-
ing of the commissioner of banking is first secured;
(b) Such as shall be mortgaged to it in good faith as
security for debts in its favor;
(c) Such as shall be conveyed to it in satisfaction of
debts previously contracted in the course of its business dealings;

(d) Such as it shall purchase at sales under judgments, decrees, trust deeds or mortgages in its favor, or shall purchase at private sale, to secure and effectuate the payment of debts due to it;

(e) The value at which any real estate is held shall not be increased by the addition thereto of taxes, insurance, interest, ordinary repairs, or other charges which do not materially enhance the value of the property.

Any real estate acquired by any banking institution under clauses (c) and (d) shall be disposed of by the banking institution at the earliest practicable date; but the officers thereof shall have a reasonable discretion in the matter of the time to dispose of such property in order to save the banking institution from unnecessary losses:

Provided, That such property shall be disposed of within five years from the time it is acquired by the banking institution unless an extension of time is given in writing by the commissioner of banking.

No banking institution organized and authorized to
transact business under this chapter shall hereafter in-
vest more than twenty per cent of the amount of its cap-
ital and surplus in furniture and fixtures, whether the
same be installed in a building owned by such banking
institution, or in quarters leased by it.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the House.

Takes effect... From... passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

The within... this the... day of... 1962.

Governor