WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1971

ENROLLED
SENATE BILL NO. 412

(By Mr. CARRIGAN)

PASSED March 8, 1971

In Effect From Passage

FILED IN THE OFFICE
JOHN D. ROYAL FELLER, IV
SECRETARY OF STATE
THIS DATE 3-10-71
AN ACT to amend and reenact section six, article ten, chapter thirty-one; and sections six and eight, article two, chapter thirty-one-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, all relating to supervision by and reports to commissioner of banking, examinations, fees, penalty for failure to report, revocation of certificates of approval, commissioner's examinations of financial institution, reports, records, communications from commissioner to institution, examination by federal agency in lieu of commissioner's examination, fees, costs and expenses of examinations, and collection.

Be it enacted by the Legislature of West Virginia:
That section six, article ten, chapter thirty-one; and sections six and eight, article two, chapter thirty-one-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted, all to read as follows:

CHAPTER 31. CORPORATIONS.

ARTICLE 10. CREDIT UNIONS.

§31-10-6. Supervision by and reports to commissioner of banking; examinations; fees; penalty for failure to report; revocation of certificates of approval.

Credit unions shall be under the supervision of the commissioner of banking. They shall report to him at least semiannually on or before the first day of January and the first day of July of each calendar year, on blanks supplied by the said commissioner for that purpose. Additional reports may be required by said commissioner. Credit unions shall be examined annually by the commissioner of banking, except that, if a credit union has assets of less than twenty-five thousand dollars, he may accept the audit of a certified public accountant in place of such examination. The fee for examination of credit unions not subject to the above exception will be charged
on the basis of sixty-five dollars per day per examiner. For failure to file reports when due, unless excused for cause, the credit union shall pay to the treasurer of the state five dollars for each day of its delinquency. If the commissioner of banking determines that a credit union is violating any provision of this article, or is insolvent, said commissioner may serve notice on such credit union of his intention to revoke the certificate of approval. If, for a period of fifteen days after such notice, such violation continues, the commissioner of banking may revoke such certificate and take possession of the business and property of such credit union and maintain possession until such time as he shall permit it to continue business or its affairs are finally liquidated. He may take similar action if such report remains in arrears for more than fifteen days.

CHAPTER 31A. BANKS AND BANKING.

ARTICLE 2. DEPARTMENT OF BANKING.

§31A-2-6. Commissioner's examinations of financial institution; reports; records; communications from commiss-
The commissioner of banking shall make, at least once each calendar year, a thorough examination of all the books, accounts, records and papers of every financial institution. He shall carefully examine all of the assets of each such institution, including its notes, drafts, checks, mortgages, securities deposited to assure the payment of debts unto it, and all papers, documents and records showing, or in any manner relating to, its business affairs, and shall ascertain the full amount and the nature in detail of all of its assets and liabilities. The commissioner may also make such examination of any subsidiaries or affiliates of a financial institution as he may deem necessary to ascertain the financial condition of such financial institution, the relations between such financial institution and its subsidiaries and affiliates and the effect of such relations upon the affairs of such financial institution. A full report of every such examination shall be made and filed and preserved in the office of the commissioner and a copy thereof forthwith mailed to the
institutions examined. Every such institution shall retain all of its records of final entry for such period of time as required in section thirty-five, article four of this chapter for banking institutions. Every official communication from the commissioner to any such institution, or to any officer thereof, relating to an examination or an investigation of the affairs of such institution conducted by the commissioner or containing suggestions or recommendations as to the manner of conducting the business of the institution, shall be read to the board of directors at the next meeting after the receipt thereof, and the president, or other executive officer, of the institution shall forthwith notify the commissioner in writing of the presentation and reading of such communication and of any action taken thereon by the institution. The commissioner of banking, in his discretion, may (a) accept a copy of a reasonably current examination of any banking institution made by the federal deposit insurance corporation or the federal reserve system in lieu of an examination of such banking institution re-
quired or authorized to be made by the laws of this state, and the commissioner may furnish to the federal deposit insurance corporation or the federal reserve system or to any official or examiner thereof, any copy or copies of the commissioner's examinations of and reports on such banking institutions (b) accept a copy of a reasonable current examination of any building and loan association made by the federal home loan bank board, a federal home loan bank or the federal savings and loan insurance corporation, in lieu of an examination of such building and loan association required or authorized to be made by the laws of this state, and the commissioner may furnish to the federal home loan bank or any of its member banks or to the federal savings and loan insurance corporation or any official or examiner thereof, any copy or copies of the commissioner's examination and reports on such building and loan associations; but nothing herein shall be construed to limit the duty and responsibility of banking institutions or building and loan associations to comply with all provisions of law relating to examinations and reports, nor to limit
the powers and authority of the commissioner of banking 
with reference to examinations and reports under exist-
ing laws.

§31A-2-8. Fees, costs and expenses of examinations; collection.
1. (a) For making an examination within the state of 
any state banking institution, the commissioner of bank-
ing shall charge and collect from such institution and pay 
into the state treasury a fee of one hundred dollars upon 
the first twenty-five thousand dollars of the assets as 
shown by the books of the bank on the date of exami-
nation and six cents for each additional one thousand 
dollars of such assets.

(b) For making such an examination within the state 
of any other financial institution, the commissioner of 
banking shall charge and collect from such other financial 
institution and pay into the state treasury the actual and 
necessary costs and expenses incurred in connection 
therewith, as fixed and determined by the commissioner.

(c) If any such examination be made at a place outside 
of this state, the fees, costs and expenses shall be as 
above provided, except that there shall be an additional
charge for mileage and travel expense as provided and
allowed by law for state agencies and employees.
(d) The commissioner of banking may maintain an
action for the recovery of all such fees, costs and expenses
in any court of competent jurisdiction.
The Joint Committee on Enrolled Bills hereby certifies that
the foregoing bill is correctly enrolled.

Richard G. Beene
Chairman Senate Committee

Phillip J. Caudle
Chairman House Committee

Originated in the Senate.

To take effect from passage.

Herminia M. Ellis
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

President of the Senate

Joe F. Boccard
Speaker House of Delegates

The within approved this the 9th
day of March, 1971.

Arch A. Stamey, Jr.
Governor
PRESENTED TO THE
GOVERNOR

Date  3/5/71
Time  1:38 p.m.