

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1974

ENROLLED

SENATE BILL NO. 202

(By Mr. Hamilton, Mr. Ward
and Mr. Fanning)

PASSED March 9 1974

In Effect from Passage



FILED IN THE OFFICE
EDGAR F. HEISKELL III
SECRETARY OF STATE
THIS DATE 3/29/74

ENROLLED

Senate Bill No. 202

(By MR. HAMILTON, MR. WARD and MR. FANNING)

[Passed March 9, 1974; in effect from passage.]

AN ACT to amend and reenact section twelve, article eight, chapter thirty-one-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to outlawing bank holding companies.

Be it enacted by the Legislature of West Virginia:

That section twelve, article eight, chapter thirty-one-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 8. HEARINGS; ADMINISTRATIVE PROCEDURES; JUDICIAL REVIEW; UNLAWFUL ACTS; PENALTIES.

§31A-8-12. Branch banks forbidden: one limited off-premises facility permitted; limitation on purchase of bank stock and control.

- 1 (a) No banking institution shall:
- 2 (1) Install or maintain any branch bank; or
- 3 (2) Engage in business at any place other than at its
- 4 principal office in this state: *Provided*, That at any time
- 5 any such banking institution may operate one and only
- 6 one off-premises walk-in or drive-in banking facility, on or
- 7 in conjunction with or entirely separate from a parking
- 8 lot for the customers of such banking institution, for the
- 9 purpose of receiving bank deposits of all kinds, cashing
- 10 checks, making change, selling and issuing money orders

11 and travelers checks and receiving payments on install-
12 ment, savings and rental accounts, and for no other pur-
13 poses, provided such off-premises banking facility is lo-
14 cated within two thousand feet of the banking house
15 premises of the banking institution operating such off-
16 premises facility measured between the nearest points of
17 the banking house premises and the premises on which
18 such off-premises banking facility is located.

19 (b) It shall be unlawful for any individual, partner-
20 ship, society, association, firm, institution, trust, syndi-
21 cate, public or private corporation, or any other legal
22 entity, or combination of entities acting in concert, to di-
23 rectly or indirectly own, control or hold with power to
24 vote, twenty-five per cent or more of the voting shares of
25 each of two or more banks, or to control in any manner
26 the election of a majority of the directors of two or more
27 banks: *Provided further*, That it shall be unlawful for
28 any financial institution, as defined in subsection (j),
29 section two, article one of this chapter, or any other finan-
30 cial organization having similar purposes as those spe-
31 cifically mentioned in said subsection (j) to directly or
32 indirectly own, control or hold with power to vote,
33 twenty-five percent or more of the voting shares of any
34 one or more banks, or to control in any manner the elec-
35 tion of a majority of the directors of any one or more
36 banks, but the foregoing provisions of this proviso shall
37 not apply to shares held by a financial institution in a
38 fiduciary capacity. It is further specifically provided that
39 nothing herein contained shall in anywise affect the
40 ownership or control of financial institutions other than
41 banks and banking institutions as defined in subsection
42 (b), section two, article one of this chapter. It is further
43 specifically provided that nothing herein contained shall
44 prohibit such acquisition, control and operation of finan-
45 cial institutions heretofore or hereafter described under
46 the laws of West Virginia as industrial loan companies
47 or industrial banks and whose business or operations, or
48 the business or operations of their predecessor organiza-
49 tions, have been closed or stopped by act of a public
50 official or officials prior to March one, one thousand nine
51 hundred seventy-four.

52 (c) Any violation of any provision of this section shall
53 constitute a misdemeanor offense punishable by appli-
54 cable penalties as provided in section fifteen of article
55 eight of this chapter.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

H. Harold Hardy
Chairman Senate Committee

Charles C. Christian Jr.
Chairman House Committee

Originated in the Senate.

In effect from passage.

Howard W. Carson
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

W. P. Brotherton, Jr.
President of the Senate

Louis J. Williams
Speaker House of Delegates

The within disapproved this the 26th
March
day of _____, 1974.

Arch A. Phares Jr.
Governor

PRESENTED TO THE
GOVERNOR

Date 3/14/74

Time 2:15 p.m.