

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1977



ENROLLED

HOUSE BILL No. 1618

(By Mr. Mowery)



PASSED April 9, 1977

In Effect ninety days from Passage



ENROLLED

H. B. 1618

(By MR. MOWERY)

[Passed April 9, 1977; in effect ninety days from passage.]

AN ACT to amend and reenact section nineteen, article ten, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to credit unions; and increasing security for loans to members.

Be it enacted by the Legislature of West Virginia:

That section nineteen, article ten, 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:

ARTICLE 10. CREDIT UNIONS.

§31-10-19. Security for loans to members; installment crop loans; loan to member of credit committee; illegal to loan to nonmembers; repayment of loans.

1 As provided in section eighteen of this article, a credit
2 union may loan to its members for such purposes and upon
3 such security and terms as the bylaws shall provide and the
4 credit committee shall approve; but security must be taken for
5 any loan in excess of two thousand five hundred dollars.
6 Endorsements of a note or assignment of shares in any
7 credit union shall be deemed security within the meaning of
8 this section.

9 A member who needs funds with which to purchase neces-
10 sary supplies for growing crops may receive a loan in fixed
11 monthly installments instead of in one sum.

12 If any member of the credit committee makes application
13 to borrow money from a credit union or becomes surety for
14 any other member whose application for a loan is under
15 consideration, the supervisory committee shall appoint a
16 substitute to act on the credit committee in the place of such
17 member, during the consideration of such application. All
18 officers and members of any committee in any way knowingly
19 permitting or participating in making a loan of funds of a
20 credit union to a nonmember thereof shall be guilty of a
21 misdemeanor. The credit union shall have the right to re-
22 cover the amount of any such illegal loan from the borrower
23 or from any officer or member of a committee who knowingly
24 committed or participated in the making thereof, or from all
25 of them jointly.

26 A borrower may repay the whole or any part of his loan
27 on any day on which the office of the corporation is open
28 for the transaction of business.

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

James L. Davis
Chairman Senate Committee

Lawrence C. Christian, Jr.
Chairman House Committee

Originated in the House.

Takes effect ninety days from passage.

J. C. Dillon, Jr.
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

W. B. Roberts
President of the Senate

Donald L. Kopp
Speaker House of Delegates

The within is approved this the 25
day of April, 1977.

John R. Ruff
Governor

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OFFICE OF THE GOVERNOR

APPROVED AND SIGNED BY THE GOVERNOR

Date April 25, 1977

Time 4:10 p.m.

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OFFICE
SECY. OF STATE