

#4671

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1988



ENROLLED

HOUSE BILL No. 4671

(By Mr. Delegates Riffle and
Susman)



Passed March 12, 1988

In Effect Ninety Days From Passage

ENROLLED
H. B. 4671

(By DELEGATES RIFFLE and SUSMAN)

[Passed March 12, 1988; in effect ninety days from passage.]

AN ACT to amend and reenact section thirteen, article four, chapter thirty-one-a of the code of West Virginia, one thousand nine-hundred thirty-one, as amended, relating to powers of state banking institutions generally, to extend from five years to ten years the period which a banking institution may own, hold and use real estate conveyed to it in satisfaction of debts previously contracted or purchased at sales under judgments, decrees, trust deeds or mortgages in its favor.

Be it enacted by the Legislature of West Virginia:

That section thirteen, article four, 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 4. BANKING INSTITUTIONS AND SERVICES
GENERALLY.**

**§31A-4-13. Powers of state banking institutions
generally.**

1 Any state-chartered banking institution shall have
2 and exercise all of the powers necessary for, or inci-
3 dental to, the business of banking, and without limiting
4 or restricting such general powers, it shall have the
5 right to buy or discount promissory notes and bonds,
6 negotiate drafts, bills of exchange and other evidences
7 of indebtedness, borrow money, receive deposits on such
8 terms and conditions as its officers may prescribe, buy

9 and sell exchange, bank notes, bullion or coin, loan
10 money on personal or other security, rent safe-deposit
11 boxes and receive on deposit, for safekeeping, jewelry,
12 plate, stocks, bonds and personal property of whatsoever
13 description and provide customer services incidental to
14 the business of banking, including, but not limited to,
15 the issuance and servicing of and lending money by
16 means of credit cards as letters of credit or otherwise.
17 Any state-chartered banking institution may accept, for
18 payment at a future date, not to exceed one year, drafts
19 drawn upon it by its customers. Any state-chartered
20 banking institution may issue letters of credit, with a
21 specified expiration date or for a definite term, autho-
22 rizing the holders thereof to draw drafts upon it or its
23 correspondents, at sight or on time. Any such banking
24 institution may organize, acquire, own, operate, dispose
25 of, and otherwise manage wholly owned subsidiary
26 corporations for purposes incident to the banking
27 powers and services authorized by this chapter.

28 Any such banking institution may acquire, own, hold,
29 use and dispose of real estate, which shall in no case be
30 carried on its books at a value greater than the actual
31 cost, subject to the following limitations and for the
32 following purposes:

33 (a) Such as shall be necessary for the convenient
34 transaction of its business, including any buildings,
35 office space or other facilities to rent as a source of
36 income; such investment hereafter made shall not
37 exceed sixty-five percent of the amount of its capital
38 stock and surplus, unless the consent in writing of the
39 commissioner of banking is first secured;

40 (b) Such as shall be mortgaged to it in good faith as
41 security for debts in its favor;

42 (c) Such as shall be conveyed to it in satisfaction of
43 debts previously contracted in the course of its business
44 dealings;

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

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

53 Any real estate acquired by any such banking
54 institution under subdivisions (c) and (d) shall be
55 disposed of by the banking institution at the earliest
56 practicable date, but the officers thereof shall have a
57 reasonable discretion in the matter of the time to dispose
58 of such property in order to save the banking institution
59 from unnecessary losses.

60 In every case such property shall be disposed of within
61 ten years from the time it is acquired by the banking
62 institution, unless an extension of time is given in
63 writing by the commissioner of banking.

64 No such banking institution shall hereafter invest
65 more than twenty percent of the amount of its capital
66 and surplus in furniture and fixtures, whether the same
67 be installed in a building owned by such banking
68 institution, or in quarters leased by it, unless the consent
69 in writing of the commissioner of banking is first
70 secured.

Handwritten signatures and initials, including "W. B. ...", "J. ...", and "W. B. ...".

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

Bruce O. Williams
Chairman Senate Committee

Bernard V. Kelly
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

Judd C. Nichols
Clerk of the Senate

Donald D. Kopp
Clerk of the House of Delegates

Dan Tombs
President of the Senate

[Signature]
Speaker of the House of Delegates

The within *Approved* this the *30th*
March day of _____, 1988.

Aura Staley
Governor

PRESENTED TO THE
GOVERNOR

Date 3/22/88

Time 3:23 p.m.

RECEIVED

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OFFICE OF WEST VIRGINIA
SECRETARY OF STATE