

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

House Bill 4557

BY DELEGATES A. EVANS, ROMINE, ROWAN, HAMILTON,

LYNCH, AMBLER, MILLER AND COOPER

[Introduced February 16, 2016; Referred
to the Committee on Banking and Insurance then
Finance.]

1 A BILL to amend and reenact §19-1-11 of the Code of West Virginia, 1931, as amended, by
 2 removing the requirement that the West Virginia Rural Rehabilitation Loan Committee
 3 outsource the servicing of its loans.

Be it enacted by the Legislature of West Virginia:

1 That §19-1-11 of the Code of West Virginia, 1931, as amended, be amended and
 2 reenacted to read as follows:

ARTICLE 1. DEPARTMENT OF AGRICULTURE.

§19-1-11. Rural Rehabilitation Loan Program.

1 (a) The Rural Rehabilitation Loan Program is an important tool for the Commissioner of
 2 Agriculture to promote investment in the agricultural industry in the state. Rules are needed for
 3 the loan program to remain viable.

4 (b) The commissioner shall propose emergency and legislative rules for approval in
 5 accordance with article three, chapter twenty-nine-a of this code. The rules shall, at a minimum:

6 (1) Establish minimum requirements and qualifications for the loan committee, including
 7 the addition of public members who have agricultural or business loan experience;

8 (2) Prohibit department employees and loan committee members, and their immediate
 9 family members, from receiving program loans;

10 (3) Establish minimum financial requirements for receiving a program loan;

11 (4) Require loans to be used for agricultural or related purposes;

12 (5) Require collateral sufficient to secure the loan;

13 (6) Establish policies for the application, applicable interest rates, delinquencies,
 14 refinancing, collection proceedings, collateral requirements and other aspects of the loan
 15 program; and

16 (7) Require the department to advertise the loan program to the public, including
 17 information on the department's website and in the department's market bulletin. ~~and~~

18 ~~(8) Transfer the servicing of the program loans to a financial institution via competitive bid~~

19 ~~or to the State Treasurer's office~~

20 (c) The commissioner shall file an annual report to the Joint Committee on Government
21 and Finance regarding the loan program, including information about the loans awarded, loans
22 repaid, loans outstanding, interest rates, delinquency and collections, and other pertinent data.

NOTE: The purpose of this bill is to remove the requirement that the West Virginia Rural Rehabilitation Loan Committee outsource the servicing of its loans.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.