

Senate Bill No. 49

(By Senator Minard)

[Introduced January 12, 2011; referred to the Committee on Banking and Insurance; and then to the Committee on Finance.]

**FISCAL
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §31A-2-8b, relating to the authority of the Commissioner of Banking to enter into contracts with depository institutions to provide loan review services; and providing that funds obtained from contracts for loan review services shall be treated the same as bank assessment funds established by said code.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §31A-2-8b, to read as follows:

ARTICLE 2. DIVISION OF BANKING.

§31A-2-8b. Contract for loan review services.

(a) The commissioner is authorized to enter into contracts to

1 provide loan review services through the use of division personnel
2 to any federally insured depository institutions that may want to
3 obtain such services: *Provided*, That neither the commissioner nor
4 his or her delegate may assign an individual who has participated
5 in any part of a safety and soundness examination or visitation of
6 a particular depository institution in the previous two years to
7 provide the loan review services under such a contract with that
8 institution: *Provided, however*, That neither the commissioner nor
9 his or her delegate may assign an individual to participate in a
10 safety and soundness examination or visitation of a depository
11 institution for a period of two examination cycles after that same
12 individual provided contracted loan review services to that
13 institution. Nothing herein may be construed to require any
14 federally insured depository institutions to obtain loan review
15 services through contracts with the division.

16 (b) Any funds received by the division pursuant to contracts
17 authorized by subsection (a) of this section shall be deposited in
18 the same special revenue account established for bank assessment
19 funds pursuant to section eight of this article and shall be
20 subject to all provisions contained therein.

NOTE: The purpose of this bill is to authorize the Commissioner of Banking to enter into contracts with federally insured depository institutions to provide loan review services by Division of Banking employees.

This section is new; therefore, strike-throughs and underscoring have been omitted.