

WEST VIRGINIA
SECRETARY OF STATE
KEN HECHLER
ADMINISTRATIVE LAW DIVISION

Form #3

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OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

**NOTICE OF AGENCY APPROVAL OF A PROPOSED RULE
AND
FILING WITH THE LEGISLATIVE RULE-MAKING REVIEW COMMITTEE**

AGENCY: West Virginia Division of Banking TITLE NUMBER: 106

CITE AUTHORITY West Virginia Code 31A-2-4(c)(11) & 31-7-26.

AMENDMENT TO AN EXISTING RULE: YES NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: 5

TITLE OF RULE BEING AMENDED: Regulations Pertaining to the
West Virginia Industrial Bank and Industrial Loan Company Act.

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: _____

TITLE OF RULE BEING PROPOSED: _____

THE ABOVE PROPOSED LEGISLATIVE RULE HAVING GONE TO A PUBLIC HEARING OR A PUBLIC COMMENT PERIOD IS HEREBY APPROVED BY THE PROMULGATING AGENCY FOR FILING WITH THE SECRETARY OF STATE AND THE LEGISLATIVE RULE MAKING REVIEW COMMITTEE FOR THEIR REVIEW.

Sharon D. Bis
Dep. Commissioner of Banking

TITLE 106
LEGISLATIVE RULES
COMMISSIONER OF BANKING

SERIES 5
REGULATIONS PERTAINING TO THE WEST VIRGINIA
INDUSTRIAL BANK AND INDUSTRIAL LOAN COMPANY ACT

§106-5-1. General.

1.1. Scope. --- These regulations establish general rules implementing and supplementing the West Virginia Industrial Bank and Industrial Loan Company Act.

1.2. Authority. -- W.Va. Code §31A-2-4(c)(11)

1.3. Filing Date --

1.4. Effective Date. --

1.5. Repeal and Replace 106 CSR 5

§106-5-2. Regulations of industrial loan companies and industrial banks.

2.1. Loan finance charges.

With respect to a consumer loan, other than a consumer loan made pursuant to a revolving loan account, an industrial loan company or an industrial bank may contract for and receive a loan finance charge not exceeding the aggregate of twenty-one percent (21%) of the first five thousand dollars (\$5,000) as permitted in subdivision (5), subsection (a), section eleven, article seven, chapter thirty-one of the West Virginia Code, plus the interest and charges permitted by section thirty-a, article four, chapter thirty-one-a, or subsections (a) and (b), section five, article six, chapter forty-seven, or by section one hundred four, article three, chapter forty-six-a of the West Virginia Code, on those amounts exceeding five thousand dollars (\$5,000) plus such fee as permitted in subdivision (6), subsection (a), section eleven, article seven, chapter thirty-one of the West Virginia Code.

2.2. Advertising.

(a) No industrial loan company or industrial bank shall advertise, in any manner, that a loan of a prospective borrower with another lender will be paid or increased if the loan is transferred to the advertising institution.

(b) No reference to supervision or control by the state, the Attorney General, the Commissioner of Banking, the Department of Banking, or any other state agency, shall be made in any advertising by an industrial loan company or an industrial bank.

(c) No industrial loan company or industrial bank shall advertise in any manner that may tend to confuse the identity of the advertising institution with any other unrelated financial organization or loan company.

(d) Each industrial loan company and industrial bank shall retain a copy of all advertising for a period of two (2) years from the date of its use.

- APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Rule Title: 106 CSR 5

Type of Rule: Legislative Interpretive Procedural

Agency: West Virginia Division of Banking Address: State Capitol Complex

Building 3, Room 311, Charleston, West Virginia 25305

1. Effect of Proposed Rule	ANNUAL		FISCAL YEAR		
	Increase	Decrease	Current	Next	Thereafter
Estimated Total Cost	\$	\$	\$	\$	\$
Personal Services	None	None	None	None	None
Current Expense	None	None	None	None	None
Repairs and Alterations	None	None	None	None	None
Equipment	None	None	None	None	None
Other	None	None	None	None	None

2. Explanation of above estimates:

None

3. Objectives of these rules:

To bring regulations into conformity with statutes by eliminating examination fees from the legislative rules.

4. Explanation of Overall Economic Impact of Proposed Rule.

A. Economic Impact on State Government.

None

B. Economic Impact on Political Subdivisions; Specific Industries; Specific groups of citizens.

None

C. Economic Impact on Citizens/Public at Large.

None

Date:

July 11, 1991

Signature of Agency Head or Authorized Representative

Sharon J. Bias

Deputy Commissioner of Banking

**SUMMARY OF COMMENTS RECEIVED REGARDING PROPOSED
LEGISLATIVE RULE 106 CSR 5**

COMMENTS RECEIVED.

Written comments were requested in lieu of having a public hearing on the proposed rule. No comments were received.