

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

SESSION LAW 1999-179
HOUSE BILL 219

AN ACT TO AMEND CHAPTERS 54B AND 54C OF THE GENERAL STATUTES TO MAKE TECHNICAL CHANGES TO THE LAW GOVERNING STATE-CHARTERED SAVINGS AND LOAN ASSOCIATIONS AND SAVINGS BANKS AND TO INCREASE THE PERMITTED PERCENTAGE OF COMMERCIAL LOANS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 54B-152(a) reads as rewritten:

"(a) Real property is deemed ~~encumbered~~unencumbered within the meaning of this Chapter unless the security instrument thereon establishes a first lien upon such real property or interest therein."

Section 2. G.S. 54C-18 is repealed.

Section 3. G.S. 54C-143 reads as rewritten:

"§ 54C-143. Commercial lending.

~~Subject to any rules that the Administrator deems appropriate, a savings bank may lend and invest no more than fifteen percent (15%) of its total assets in commercial loans. A commercial loan is for business, commercial, corporate, and agricultural purposes.~~

A savings bank may lend and invest in commercial loans in an aggregate amount that either (i) does not exceed fifteen percent (15%) of its total assets; or (ii) equals a percentage of its total assets greater than fifteen percent (15%), if approved by the Administrator upon written request of the savings bank. In considering a request for an increased limit, the Administrator shall take into consideration the commercial lending expertise of the management and the overall risk profile of the savings bank making the request. For the purposes of this section, 'commercial loan' means a loan for business, commercial, corporate, or agricultural purposes.

Section 4. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 3rd day of June, 1999.

s/ Dennis A. Wicker
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ James B. Hunt, Jr.
Governor

Approved 6:55 p.m. this 14th day of June, 1999