

VIRGINIA BANKERS ASSOCIATION

Counsel's Report

2020 Session of the Virginia General Assembly

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Report on Legislation Affecting Banking

This report summarizes legislation of interest to the banking industry passed during the 2020 session of the Virginia General Assembly and signed into law by the Governor. All legislation will become effective July 1, 2020, unless otherwise noted. The report is divided into six sections by subject matter:

- A. Banking and Finance
- B. Wills, Trusts, and Estates
- C. Property
- D. Civil Procedure and Remedies
- E. Labor and Employment
- F. Miscellaneous

Many of these summaries are based on summaries prepared by the Division of Legislative Services of the General Assembly. The work of the Division is gratefully acknowledged. The information contained in this report is provided as a service to the banking industry in Virginia and does not constitute legal advice or opinion. Please consult an attorney for advice on specific matters. The text contained in this report is not the official text of the Code of Virginia (hereinafter the “Code”). The full text of the Code and the legislation summarized herein is available at <https://law.lis.virginia.gov/vacode>.

A. BANKING AND FINANCE:

1. H.B. 10 and S.B. 77 - Licensing of qualified education loan servicers.

Amends §§ 19.2-389 and 59.1-200; adds a new chapter 26 in Title 6.2 of the Code.

Requires a loan servicer to obtain a license from the State Corporation Commission (SCC) and establishes procedures pertaining to licenses. Banks, savings institutions, credit unions, nonprofit institutions of higher education, and farm credit systems are exempt from the licensing provisions. The servicing of a qualified education loan encompasses (i) receiving any scheduled periodic payments from a qualified education loan borrower or notification of such payments; (ii) applying the payments of principal and interest and such other payments, with respect to the amounts received from a qualified education loan borrower, as may be required pursuant to the terms of a qualified education loan; (iii) during a period when no payment is required on a qualified education loan, maintaining account records and communicating with the qualified education loan borrower; and (iv) interacting with a student loan borrower, including conducting activities to help prevent default. Violations are subject to a civil penalty not exceeding \$2,500 and are prohibited practices under the Virginia Consumer Protection Act. ***This law has a delayed effective date of July 1, 2021.***

2. H.B. 155 – Trust subsidiaries of banks.

Amends §§ 6.2-1047 and 6.2-1059 of the Code.

Establishes a mechanism by which a subsidiary bank of a Virginia bank holding company that holds trust powers may be substituted in every fiduciary capacity for a trust subsidiary under common ownership with that bank. Follows the existing procedures by which (i) a subsidiary bank may be substituted as fiduciary for another bank under common ownership and (ii) a trust subsidiary may be substituted as fiduciary for an owning or affiliated bank. The determination as to whether the application for substitution will be granted is made by the circuit court of the jurisdiction in which the main office of the petitioning bank or trust subsidiary is located.

3. H.B. 743 – Private student loan providers; Disclosure.

Adds § 23.1-233.1 to the Code.

Requires providers of private education loans to disclose to any student attending an institution of higher education in the Commonwealth, prior to issuing a qualified education loan to such student, the contact information for the Office of the Qualified Education Loan Ombudsman and a summary of the student loan information applicable to private education loans that may be found on the State Council of Higher Education's website. Such disclosure may be made in conjunction with or incorporated into another disclosure. ***This law has a delayed effective date of July 1, 2021.***

4. H.B. 789 and S.B. 421 – Consumer lending; Short-term loans.

Amends §§ 6.2-303, 6.2-312, 6.2-435, 6.2-1500, 6.2-1501, 6.2-1505, 6.2-1507, 6.2-1509, 6.2-1517, 6.2-1518, 6.2-1520, 6.2-1523, 6.2-1524, 6.2-1800, 6.2-1801, 6.2-1803, 6.2-1804, 6.2-1807, 6.2-1809, 6.2-1810, 6.2-1811, 6.2-1816, 6.2-

1819, 6.2-1820, 6.2-1827, 6.2-1828, 6.2-2200, 6.2-2201, 6.2-2203, 6.2-2204, 6.2-2207, 6.2-2210, 6.2-2215, 6.2-2216, 6.2-2217, 6.2-2224, 6.2-2226, 59.1-200, and 59.1-335.5; adds §§ 6.2-1508.1, 6.2-1523.1, 6.2-1523.2, 6.2-1523.3, 6.2-1816.1, 6.2-1817.1, 6.2-1818.1 through 6.2-1818.4, 6.2-2215.1, 6.2-2216.1 through 6.2-2216.5, and 6.2-2218.1; and repeals § 6.2-1818 of the Code.

Replaces references to “payday loans” with the term “short-term loans.” The interest rate and fees that may be charged under a short-term loan are capped at an annual rate of 36 percent, plus a maintenance fee. The maximum amount of such loans is increased to \$2,500, and the duration is set at a minimum of four months and a maximum of 24 months. Licensees must make a reasonable attempt to verify a borrower's income and may not collect fees and charges that exceed 50 or 60 percent, depending on the original loan amount. The requirements for motor vehicle title loans include requiring licensed lenders to use a database to determine a prospective borrower's eligibility for a loan and prohibiting loans to a borrower who has an outstanding short-term loan. There is a 36 percent annual interest rate cap on open-end credit plans and a \$50 annual participation fee is allowed. Violations of the law are prohibited practices under the Virginia Consumer Protection Act. The Consumer Finance Act is amended to allow licensed lenders to use the services of access partners and establish requirements that loans be between \$300 and \$35,000; be repayable in substantially equal installment payments; have a term of six to 120 months; charge not more than 36 percent annual interest and a loan processing fee; and require licensees to post a bond. Credit service businesses are prohibited from advertising, offering, or performing other services in connection with an extension of credit that has an annual interest rate exceeding 36 percent, is for less than \$5,000, has a term of less than one year, or is provided under an open-end credit plan. *This law has a delayed effective date of January 1, 2021.*

5. **H.B. 1553** – **Licensure of debt settlement service providers.**

Amends § 59.1-200 and adds a new Chapter 20.1 to Title 6.2 of the Code.

Provides for the licensure and regulation of debt settlement services providers by the State Corporation Commission. “Debt settlement services” are defined as any action or negotiation initiated or taken by or on behalf of any consumer with any creditor of the consumer for the purpose of obtaining debt forgiveness of a portion of the credit extended by the creditor to the consumer or reduction of payments, charges, or fees payable by the consumer. Provides for civil penalties against licensees that violate these requirements, grants consumers a private right of action against licensees, and makes a violation a prohibited practice under the Virginia Consumer Protection Act. *This law has a delayed effective date of July 1, 2021.*

6. **S.B. 293** – **Financial institutions and multiple-fiduciary accounts.**

Amends §§ 6.2-604, 6.2-605, 6.2-612, and 6.2-616; adds § 6.2-615.1 of the Code.

Provides that a financial institution may enter into a multiple-fiduciary account, which is defined as a fiduciary account where more than one fiduciary is authorized to act. Allows for any multiple-fiduciary account to be paid, on request, to any one or more fiduciaries.

The measure defines "fiduciary account" as (i) an estate account for a decedent, (ii) an account established by one or more agents under a power of attorney or an existing account of a principal to which one or more agents under a power of attorney are added, (iii) an account established by one or more conservators, (iv) an account established by one or more committees, (v) a regular trust account under a testamentary trust or a trust agreement that has significance apart from the account, or (vi) an account arising from a fiduciary relationship such as an attorney-client relationship.

7. **S.B. 391 – Adult financial exploitation; Required report by financial institution.**

Amends § 63.2-1606 of the Code.

Requires financial institutions to report to the local department of social services or the adult protective services hotline within five business days upon the financial institution's refusal to execute a transaction, delay of a transaction, or refusal to disburse funds based on a good faith belief that such transaction or disbursement may involve financial exploitation of an adult.

B. WILLS, TRUSTS, AND ESTATES:

1. **H.B. 1380 – Uniform Directed Trust Act.**

Amends §§ 64.2-701, 64.2-703, 64.2-706, 64.2-752, and 64.2-756; adds a new article 8.2 in Chapter 7 of Title 64.2; repeals § 64.2-770 of the Code.

Codifies the Uniform Directed Trust Act, which expressly validates terms of a trust that provide for a trust director, and prescribes a set of rules for directed trusts, including allocation of fiduciary duties.

2. **H.B. 1411 – Fiduciaries; Good faith reliance on certificate of qualification of a personal representative.**

Amends § 64.2-2011 and adds § 64.2-520.2 of the Code.

Provides that any individual or entity conducting business in good faith with a personal representative who presents a currently effective certificate of qualification may presume that the personal representative is properly authorized to act as to any matter or transaction. An individual or entity is required to either accept or reject a certificate of qualification no later than seven business days after presentation, and can be subject to liability for the reasonable attorney fees and costs incurred by a personal representative or guardian in any action or proceeding that confirms the validity of the certificate of qualification. The law specifies certain circumstances under which an individual or entity is not required to accept a certificate of qualification for a transaction.

C. PROPERTY:

1. H.B. 340 – **Foreclosure relief for furloughed workers.**

Adds a new Chapter 7 to Title 44 of the Code.

Provides a 60-day stay of an unlawful detainer for nonpayment of rent for tenants and a 30-day stay of foreclosure proceedings for homeowners of, and owners who rent to a tenant, a one-family to four-family residential dwelling unit who request a stay and provide written proof that they are an employee, independent contractor, or employee of a company under contract with the United States government who was furloughed or was or is otherwise not receiving wages or payments as a result of a closure of the United States government. Such homeowners and rental owners must request a stay of foreclosure proceedings within 90 days of a closure of the United States government or 90 days following the end of such closure, whichever is later. The bill also expands the available relief to any tenant, homeowner, or owner affected by the novel coronavirus (COVID-19) pandemic public health crisis during the period for which the Governor has declared a state of emergency. ***This bill contained an emergency clause and became law on April 22, 2020. The expanded relief provisions related to COVID-19 shall expire 90 days following the end of the state of emergency.***

2. H.B. 755 – **Real property taxes; Blighted and derelict properties.**

Amends § 58.1-3965; adds § 58.1-3221.6 of the Code.

Provides that, in certain localities, blighted properties and derelict structures shall constitute a separate class of property for local taxation. Such certain localities may, by ordinance, levy a tax on blighted properties and derelict structures, as determined by the real estate assessor, at a rate that exceeds the general real property tax rate by five and 10 percent, respectively. Delinquent tax lands may be sold six months after the locality has incurred abatement costs for buildings that have been condemned, constitute a nuisance, are a derelict building, or are declared to be blighted.

3. H.B. 819 – **Settlement agents.**

Adds §§ 55.1-1009.1 and 55.1-1015.1; repeals § 55.1-904 of the Code.

Relocates from Chapter 9 (Real Estate Settlements) to Chapter 10 (Real Estate Settlement Agents) within Title 55.1 the existing provision that prohibits persons from paying or receiving a kickback, rebate, commission, thing of value, or other payment pursuant to an agreement to refer business incident to a settlement. The relocation authorizes the State Corporation Commission to impose penalties, issue injunctions, and require restitution in cases where a person who does not hold a license from the appropriate licensing authority has violated the provision. The law also authorizes a court to assess civil penalties not exceeding \$5,000 per violation of the chapter and the recovery of costs and reasonable expenses and attorney fees.

4. **H.B. 1581** – **Delinquent real property taxes; Records and sales.**
Amends §§ 8.01-98 and 58.1-3981 of the Code.

Transfers from the local clerk of court to the local treasurer the duties of maintaining records of delinquent real property taxes, sales of such property, and of correcting related records.

D. CIVIL PROCEDURE AND REMEDIES:

1. **H.B. 780** – **Returns of service; Copies.**
Amends § 8.01-325 of the Code.

Provides that a photocopy, facsimile, or other copy of the original proof of service shall be accepted by the clerk's office as if it were an original proof of service for the purposes of complying with the return of service process to the clerk's office, provided that the proponent provides a statement that any such copy is a true copy of the original.

2. **H.B. 790** – **Homestead exemption; Bankruptcy exemptions.**
Amends §§ 8.01-512.4, 34-4, 34-6, 34-14, 34-17, and 34-21 of the Code.

Makes various changes to the homestead exemptions, including providing that the official schedule of property claimed exempt filed with the United States Bankruptcy Court in a bankruptcy proceeding constitutes a sufficient writing to exempt such real and personal property from creditor process. Provides that a householder may hold exempt from creditor process real or personal property that the householder or his dependent uses as a principal residence not exceeding \$25,000 in value.

3. **H.B. 834** – **Order of publication; Electronic notice.**
Amends § 8.01-317 of the Code.

Provides that a court may permit notice of an order of publication to be given by electronic means in addition to or in lieu of publication in a newspaper, under such terms and conditions as the court may direct.

E. LABOR AND EMPLOYMENT:

1. **H.B. 123** – **Nonpayment of wages.**
Amends § 40.1-29 of the Code.

Provides that an employee has a private cause of action against an employer who fails to pay wages to recover the amount of wages due plus interest at eight percent annually from the date the wages were due. If the court finds that the employer knowingly failed to

pay wages to an employee, the court shall award the employee (i) reasonable attorney fees and other costs and (ii) an amount equal to triple the amount of wages due.

2. **H.B. 330 and S.B. 480 - Employment; Covenants not to compete and low-wage employees.**

Adds § 40.1-28.7:7 of the Code.

Prohibits an employer from entering into, enforcing, or threatening to enforce a covenant not to compete between the employer and a low-wage employee. The employer is subject to a civil penalty of \$10,000 per violation. "Low-wage employee" is defined as either (i) an employee, intern, student, apprentice, or trainee whose average weekly earnings are less than the average weekly wage of the Commonwealth or who is employed without pay or (ii) an independent contractor who is compensated for his services at an hourly rate that is less than the median hourly wage for the Commonwealth for all occupations as reported by the Bureau of Labor Statistics of the U.S. Department of Labor. A "covenant not to compete" is defined as an agreement that restrains, prohibits, or otherwise restricts an individual's ability to compete with his former employer. Any low-wage employee subject to such a covenant not to compete is allowed to bring a civil action against an employer and seek appropriate relief, including enjoining the conduct of any person or employer, ordering payment of liquidated damages, and awarding lost compensation, damages, and reasonable attorney fees and costs. Requires all employers to post in the workplace a notice of the prohibition or a summary of the notice approved by the Department of Labor and Industry. ***This law applies to covenants not to compete entered into on or after July 1, 2020.***

3. **H.B. 395 and S.B. 7 – Minimum wage increases.**

Amends §§ 40.1-28.9 and 40.1-28.10 of the Code.

Increases the minimum wage from its current federally mandated level of \$7.25 per hour to \$9.50 per hour effective May 1, 2021; to \$11.00 per hour effective January 1, 2022; to \$12.00 per hour effective January 1, 2023; to \$13.50 per hour effective January 1, 2025; and to \$15.00 per hour effective January 1, 2026. For January 1, 2027, and thereafter, the annual minimum wage shall be adjusted to reflect increases in the consumer price index. Provides that the increases scheduled for 2025 and 2026 will not become effective unless reenacted by the General Assembly prior to July 1, 2024. If such provisions are not reenacted prior to July 1, 2024, then the annual minimum wage will be adjusted to reflect increases in the consumer price index beginning January 1, 2025. Creates a training wage at 75 percent of the minimum wage for employees in on-the-job training programs lasting less than 90 days. Provides that the Virginia minimum wage applies to persons whose employment is covered by the Fair Labor Standards Act; persons employed in domestic service or in or about a private home; persons who normally work and are paid on the amount of work done; persons with intellectual or physical disabilities except those whose employment is covered by a special certificate issued by the U.S. Secretary of Labor; persons employed by an employer who does not employ four or more persons at any one time; and persons who are less than 18 years of age and who are under the jurisdiction of a juvenile and domestic relations district court. Provides that the Virginia

minimum wage does not apply to persons participating in the U.S. Department of State's au pair program, persons employed as temporary foreign workers, and persons employed by certain amusement or recreational establishments, organized camps, or religious or nonprofit educational conference centers. *This law has a delayed effective date of May 1, 2021.*

4. **H.B. 622 - Limiting employees' sharing of wage information prohibited.**

Adds § 40.1-28.7:7 of the Code.

Prohibits an employer from discharging or taking other retaliatory action against an employee because the employee inquired about or discussed with, or disclosed to, another employee any information about either the employee's own wages or other compensation or about any other employee's wages or other compensation. Violations are subject to a civil penalty of \$100.

5. **H.B. 696 – Local human rights ordinances; Sexual orientation and gender identity.**

Amends § 15.2-965 of the Code.

Provides that localities may prohibit discrimination in housing, employment, public accommodations, credit, and education on the basis of sexual orientation and gender identity.

6. **H.B. 798 - Employment; Prohibited retaliatory action.**

Adds § 40.1-27.3 of the Code.

Prohibits an employer from discharging, disciplining, threatening, discriminating against, penalizing, or taking other retaliatory action against an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment because the employee (i) reports a violation of any federal or state law or regulation to a supervisor or to any governmental body or law-enforcement official; (ii) is requested by a governmental body or law-enforcement official to participate in an investigation, hearing, or inquiry; (iii) refuses to engage in a criminal act that would subject the employee to criminal liability; (iv) refuses an employer's order to perform an action that violates any federal or state law or regulation and the employee informs the employer that the order is being refused for that reason; or (v) provides information to or testifies before any governmental body or law-enforcement official conducting an investigation, hearing, or inquiry into any alleged violation by the employer of federal or state law or regulation. A person who alleges a violation of this chapter may bring a civil action seeking injunctive relief, reinstatement, and compensation for lost wages, benefits, and other remuneration.

7. **H.B. 827 and S.B. 712 – Virginia Human Rights Act; Unlawful discrimination on the basis of pregnancy, childbirth.**

Amends §§ 2.2-3901 and 2.2-3903; adds §2.2-3904 of the Code.

Requires employers to make reasonable accommodation for the known limitations of a person related to pregnancy, childbirth, or related medical conditions, if such accommodation is necessary to assist such person in performing a particular job, unless the employer can demonstrate that the accommodation would impose an undue hardship on the employer. "Employer" is defined as any person, or agent of such person, employing five or more employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year. Prohibits employers from taking any adverse action against an employee who requests or uses a reasonable accommodation and from denying employment or promotion opportunities to an otherwise qualified applicant or employee because such employer will be required to make reasonable accommodation to the applicant or employee. Creates a cause of action against any employer who denies any of the rights afforded by the bill and permits the court or jury to award compensatory damages, back pay, and other equitable relief.

8. **H.B. 1199 and S.B. 662 – Employee misclassification; Retaliatory actions prohibited.**

Adds § 40.1-33.1 of the Code.

Prohibits an employer from discharging, disciplining, threatening, discriminating against, or penalizing an employee or independent contractor because the employee or independent contractor reported or plans to report that an employer or any officer or agent has failed to properly classify an individual as an employee and failed to pay required benefits or other contributions. Also prohibits such actions against an employee or independent contractor who is requested or subpoenaed by an appropriate authority to participate in an investigation, hearing, or inquiry by an appropriate authority or in a court action. These prohibitions apply only if an employee or independent contractor acts in good faith and upon a reasonable belief that the information is accurate. The Commissioner of Labor and Industry is authorized to institute proceedings against an employer who has taken prohibited retaliatory action. Available remedies include reinstatement of the employee and recovery of lost wages. An employer that violates these provisions is subject to a civil penalty equal to the employee's lost wages.

9. **S.B. 868 – Discrimination prohibited; Virginia Values Act.**

Amends §§ 2.2-520, 2.2-3004, 2.2-3900, 2.2-3901, 2.2-3902, 6.2-501, 15.2-853, 15.2-854, 15.2-965, 15.2-1507, 15.2-1604, 22.1-306, 36-96.1 through 36-96.3, 36-96.4, 36-96.6, and 55.1-1310; adds §§ 2.2-2901.1, 2.2-3904 through 2.2-3908, and 15.2-1500.1 and 22.1-295.2; repeals § 2.2-3903 of the Code.

Prohibits discrimination in public and private employment on the basis of sexual orientation and gender identity. Also prohibits, for state and local government employment, discrimination in employment on the basis of race, color, religion, national origin, sex, pregnancy, childbirth or related medical conditions, age, marital status,

disability, or status as a veteran. Prohibits discrimination in public accommodations on the basis of sexual orientation, gender identity, or status as a veteran and in credit on the basis of sexual orientation, gender identity, pregnancy, childbirth or related medical conditions, disability, and status as a veteran. Adds discrimination on the basis of an individual's sexual orientation, gender identity, or status as a veteran as an unlawful housing practice. Creates causes of action for unlawful discrimination in public accommodations and employment in the Virginia Human Rights Act. Allows for the causes of action to be pursued privately by an aggrieved person or, in certain circumstances, by the Attorney General. Before a civil cause of action may be brought in court, an aggrieved individual must file a complaint with the Division of Human Rights of the Department of Law, participate in an administrative process, and receive a notice of his right to commence a civil action.

F. MISCELLANEOUS:

1. H.B. 306 and S.B. 938 – Circuit court clerk recording and indexing fees.

Amends § 17.1-275 of the Code.

Increases by \$2 the fees for the recording and indexing of certain documents and increases from \$1.50 to \$3.50 the portion of the recording and indexing fee collected by circuit court clerks that is designated for use in preserving permanent records.

2. H.B. 1149 – Virginia Stock Corporation Act; Clarifying and technical changes.

Amends §§ 13.1-603, 13.1-604, 13.1-609, and 13.1-610, §§ 13.1-614.1, 13.1-614.7, 13.1-615.1, and 13.1-616, as they shall become effective, §§ 13.1-624, 13.1-630, 13.1-636, 13.1-652, 13.1-657, 13.1-679, 13.1-692.1, 13.1-695, 13.1-712.1, as it shall become effective, 13.1-718, 13.1-719, and 13.1-721, §§ 13.1-721.1, 13.1-722.5, 13.1-722.7:1, and 13.1-722.9 through 13.1-722.13, as they shall become effective, and §§ 13.1-761, 13.1-764, and 13.1-766.1; repeals § 13.1-768.1 of the Code.

Makes clarifying and technical changes to the Virginia Stock Corporation Act. Many provisions revise the legislation enacted in the 2019 General Assembly Session that comprehensively updated the Act in accordance with the Model Business Corporation Act and that is scheduled to become effective on July 1, 2020. Several provisions address the documentation required to be filed when a corporation converts to another type of business entity. *This law has a delayed effective date of July 1, 2021.*

3. H.B. 1244 and S.B. 812 – Virginia Telephone Privacy Protection Act; Telephone solicitation calls.

Amends §§ 59.1-510, 59.1-513, 59.1-515, and 59.1-517 of the Code.

Provides that for the purposes of the Virginia Telephone Privacy Act, "telephone solicitation call" includes any text message sent to any wireless telephone with a Virginia area code, or to a wireless telephone registered to any natural person who is a resident of the Commonwealth, for the purpose of offering or advertising any property, goods, or

services for sale, lease, license, or investment, including offering or advertising an extension of credit or for the purpose of fraudulent activity. A telephone solicitor is prohibited from engaging in any conduct that results in the display of false or misleading caller identification information on the called party's telephone. Increases the amount of damages and the amount of the civil penalty for violations of the Act from \$500 for each such violation to \$500 for a first violation, \$1,000 for a second violation, and \$5,000 for each subsequent violation and increases to \$5,000 the maximum civil penalty the court may impose for a willful first or second violation.

4. [H.B. 1334](#) – Insurance data security; Required programs and notifications.

Amends §§ 18.2-186.6, 38.2-100, 38.2-600, 38.2-601, 38.2-602, 38.2-612.1, 38.2-612.2, 38.2-613, 38.2-614 through 38.2-618, 38.2-4214, 38.2-4319, 38.2-4408, and 38.2-4509; adds a new Article 2 in Chapter 6 of Title 38.2; repeals §§ 38.2-613.2 and 38.2-620 of the Code.

Establishes standards for insurance data security and for the investigation of a cybersecurity event and the notification to the Commissioner of Insurance and affected consumers of a cybersecurity event. Requires insurers to develop, implement, and maintain a comprehensive written information security program based on an assessment of its risk and that contains administrative, technical, and physical safeguards for the protection of nonpublic information and its information system. Requires investigation of potential cybersecurity events and prescribes standards for such investigations. Also requires that the notification of the occurrence of a cybersecurity event provided by an insurer or other entity to the Commissioner and affected consumers include certain information. Insurance licensees that are affiliated with a depository institution that maintains an information security program in compliance with the Interagency Guidelines Establishing Standards for Safeguarding Customer Information as set forth pursuant to §§ 501 and 505 of the federal Gramm-Leach-Bliley Act, P.L. 106-102, are exempt from the requirements of § 38.2-623 of the Code (the information security program) and any rules, regulations, or procedures established thereunder.

5. [H.B. 1457](#) – Securities Act exemption for nonissuer distributions.

Amends § 13.1-514 of the Code.

Exempts from the Virginia securities, broker-dealer and agent registration requirements any nonissuer distribution by or through a registered broker-dealer and its registered agent of a security that is included in an electronic exchange, marketplace, system, or disclosure repository, which exchange, marketplace, system, or disclosure repository (i) makes information freely available to the public, (ii) is registered under the Securities Exchange Act of 1934 or rules promulgated thereunder, or (iii) is an Alternative Trading System regulated by the U.S. Securities and Exchange Commission, and is approved by regulations of the State Corporation Commission.

6. **H.B. 1587** – Investment of public funds; Ratings agency.

Amends §§ 2.2-4400, 2.2-4502, and 2.2-4509 through 2.2-4512 of the Code.

Allows ratings by Fitch Ratings to be used for determining whether certain investments are permissible for public funds.

7. **S.B. 34** and **H.B. 1211** – Driver privilege cards.

Amends §§ 2.2-3705.7, 2.2-3808.1, 4.1-305, 8.01-313, 8.01-420.8, 8.9A-503, 12.1-19, 16.1-69.40:1, 16.1-228, 17.1-293, 18.2-6, 18.2-268.1, 19.2-258.1, 20-60.3, 20-107.1, 22.1-205, 24.2-410.1, 24.2-411.1, 24.2-416.7, 24.2-643, 32.1-291.2, 33.2-613, 38.2-2212, 46.2-328.1, 46.2-330, 46.2-332, 46.2-333.1, 46.2-335, 46.2-343, 58.1-3, 59.1-442, 59.1-443.3, 63.2-1916, and 63.2-1941; adds § 46.2-328.3 of the Code.

Authorizes the issuance of new driver privilege cards by the Department of Motor Vehicles to an applicant who (i) has reported income from Virginia sources or been claimed as a dependent on an individual tax return filed with the Commonwealth in the preceding 12 months and (ii) is not in violation of the insurance requirements for the registration of an uninsured motor vehicle. Provides that driver privilege cards shall confer the same privileges and shall be subject to the same provisions as driver's licenses and permits; however, they shall not (a) confer voting privileges, (b) permit an individual to waive any part of the driver examination, or (c) have their issuance be contingent upon the applicant's ability to produce proof of legal presence in the United States. Provides that the term "driver's license" will consistently refer to all driver's licenses, permits, driver privilege cards, and special identification cards issued by the Commonwealth or the comparable law of another jurisdiction. Allows for the issuance of a limited-duration driver's license and special identification card. ***This law has a delayed effective date of January 1, 2021.***