

HOUSE BILL REPORT

HB 2144

As Reported By House Committee On:
Financial Institutions & Insurance

Title: An act relating to the insurance commissioner's designated depository.

Brief Description: Designating depositories.

Sponsors: Representatives Smith, L. Thomas, Wolfe, Sullivan, Wensman and Anderson.

Brief History:

Committee Activity:

Financial Institutions & Insurance: 3/3/97 [DP].

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: Do pass. Signed by 9 members: Representatives L. Thomas, Chairman; Smith, Vice Chairman; Zellinsky, Vice Chairman; Wolfe, Ranking Minority Member; Grant, Assistant Ranking Minority Member; Benson; DeBolt; Keiser and Wensman.

Minority Report: Without recommendation. Signed by 2 members: Representatives Constantine and Sullivan.

Staff: Charlie Gavigan (786-7340).

Background: The insurance commissioner may designate any solvent trust company or financial institution domiciled in Washington State as a depository to hold deposits of securities for the commissioner. All funds deposited must be insured by the Federal Deposit Insurance Corporation.

Summary of Bill: Solvent financial institution means any national or state-chartered bank or trust company, savings bank, or branches of these institutions. The financial institution need not be domiciled in Washington State, but must have trust powers in Washington.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill allows an out-of-state bank with a Washington branch to be a depository for the insurance commissioner. It updates the insurance code to be consistent with interstate branching.

Testimony Against: None.

Testified: Meara Nisbet, Washington Bankers Association (supports).