

SENATE BILL REPORT

SB 6397

As of February 16, 2016

Title: An act relating to state and local government fiscal agents.

Brief Description: Addressing state and local government fiscal agents.

Sponsors: Senators Hill and Hargrove; by request of State Treasurer.

Brief History:

Committee Activity: Ways & Means: 1/26/16.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Steve Jones (786-7440)

Background: By statute, the state treasurer or the treasurer of a local government may contract with a bank or trust company to serve as the fiscal agent of the state or local government for the purposes of registering and processing the debt payments on state and local bonds and other instruments of indebtedness. Qualified banks and trust companies must have paid-up capital and surplus of at least \$5 million. The State Finance Committee must publish notice of the designation of a fiscal agent in a financial newspaper of general circulation. If no fiscal agent is willing to perform these services, the state or local treasurer may act as the fiscal agent.

Summary of Bill: The statutes governing the registration and payment of state and local bonds and instruments of indebtedness, and the designation of banks and trust companies as fiscal agents, are modernized by correcting out-of-date and obsolete references, requirements, and procedures. The minimum qualifying assets requirement and the newspaper publication requirement are deleted.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Staff Summary of Public Testimony: PRO: These statutes were last updated in 1968, and electronic financial documents have largely replaced paper documents. These are technical, nonsubstantive revisions to the statutes governing the appointment of fiscal agents.

Persons Testifying: PRO: Wolfgang Opitz, Office of the State Treasurer.

Persons Signed In To Testify But Not Testifying: No one.