

**SHB 1209 - H AMD 9**

By Representative Barkis

FAILED 02/16/2017

1 On page 5, after line 14, insert the following:

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3 "Sec. 3. RCW 39.58.108 and 2016 c 152 s 4 are each amended to  
4 read as follows:

5 (1) Any financial institution may become, and thereafter operate  
6 as, a public depository upon approval by the commission and  
7 segregation of collateral in the manner as set forth in this chapter,  
8 and subject to compliance with all rules and policies adopted by the  
9 commission. A public depository shall at all times pledge and  
10 segregate eligible collateral in an amount established by the  
11 commission by rule or noticed resolution.

12 (2) A credit union may only be approved by the commission as a  
13 public depository able to accept deposits greater than the maximum  
14 insured amount if that credit union, or credit union branch as defined  
15 in RCW 31.12.005(3), is located in a county with three or fewer  
16 financial institutions with a permanent physical location, not  
17 including credit unions.

18 (3) A credit union may become and thereafter operate as, a public  
19 depository solely for the purpose of receiving public deposits that  
20 may total no more than the maximum deposit insured by the national  
21 credit union share insurance fund. A credit union public depository  
22 approved under this subsection is subject to RCW 39.58.040 and  
23 39.58.100 and is not a public depository for any other purpose under  
24 this chapter, including but not limited to inclusion in the single  
25 public depository pool under RCW 39.58.200. The maximum deposit  
26 applies to all funds attributable to any one depositor of public funds  
27 in any one credit union."

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2  
3       Renumber the remaining section consecutively and correct any  
4 internal references accordingly and correct the title.

EFFECT: Limits credit unions being approved as public depositories, able to accept deposits of amounts greater than the maximum insured amount, to those in counties with three or fewer physical bank locations.

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