

ANALYSIS OF SB 6159

House Agriculture & Ecology Committee
1998

February 23,

BACKGROUND:

Legislation was enacted in 1986 to create a Washington Land Bank patterned after the federal land bank. The legislation instructed the Director of the Department of General Administration to establish the bank by rule. It was to be organized by borrowers to provide loans to farmers and ranchers, with the voting stock to be held by the borrower members of the bank. The bank was authorized to make loans using farm real estate as collateral. The debts and obligations of the bank were declared not to be debts or obligations of the state. (Chapter 284, Laws of 1986.)

These land bank statutes were amended in 1987 to grant the state's supervisor of banking regulatory authority to examine and monitor the bank for solvency. They were amended again in 1994 to reflect the transfer of bank regulatory authorities from the Departments of General Administration and Licensing to the Department of Financial Institutions. (Chapter 420, Laws of 1987 and Chapter 92, Laws of 1994.)

SUMMARY:

The statutes authorizing the Washington Land Bank and regulating its activities are repealed.

*Prepared for the House Agriculture & Ecology Committee
by Ken Hirst, (786-7105)
Office of Program Research*