

SENATE BILL REPORT

SHB 2225

As Reported By Senate Committee On:
Financial Institutions, Housing & Consumer Protection, March 31, 2005

Title: An act relating to allowing certain higher education endowment grant funds to be deposited outside the state.

Brief Description: Allowing certain higher education endowment grant funds to be deposited outside the state.

Sponsors: House Committee on Financial Institutions & Insurance (originally sponsored by Representative Kirby; by request of State Treasurer).

Brief History: Passed House: 3/15/05, 96-0.

Committee Activity: Financial Institutions, Housing & Consumer Protection: 3/31/05 [DP].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & CONSUMER PROTECTION

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Berkey, Vice Chair; Benton, Ranking Minority Member; Benson, Brandland, Delvin, Franklin, Keiser, Prentice, Schmidt and Spanel.

Staff: Joyce Ahlering (786-7486)

Background: The Public Deposit Protection Commission (Commission) protects public deposits that exceed the amount insured by the Federal Deposit Insurance Corporation. The State Treasurer, Lieutenant Governor, and the Governor, ex officio, compose the Commission. The Commission is administered through the State Treasurer's office.

Current state law generally prohibits the deposit of public funds outside of the state, however, there are some exceptions to this prohibition.

Summary of Bill: An additional exemption to the prohibition on out-of-state public funds deposits is created. A Commission-authorized treasurer can maintain an out-of-state account for higher education funds dedicated to a study or research program performed outside of Washington.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Testimony For: This bill allows the state's research university to do its banking in other countries so that it can focus on and fund core missions abroad.

Testimony Against: None.

Who Testified: PRO: Randy Hodgins, University of Washington; Barton Potter, Office of the State Treasurer.