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**SHB 1209** - H AMD **9**

By Representative Barkis

**FAILED 02/16/2017**

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

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

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

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

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

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

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|  | 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. |

**--- END ---**