



Department of Consumer and Business Services  
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MEASURE: HB 2612  
EXHIBIT: D  
Senate Finance and Revenue 76<sup>th</sup> Session  
DATE: 04-25-2011 PAGES: 1  
SUBMITTED BY: DAVID TATMAN

March 8, 2011

**Subject: HB 2612 concerning public fund deposits**

Dear Co-Chair Barnhart and Co-Chair Berger and members of the House Revenue Committee:

On behalf of the Department of Consumer and Business Services (DCBS), I would like to share that we do not have any position on HB 2612.

I did not attend today's hearing on the bill since, like the Office of the State Treasurer and the Oregon Bankers Association, our department views the provisions of this bill as definitional changes to clarify the definition of public funds deposits in ORS Chapter 295 and ensuring consistent statutory references for public funds. HB 2612 will not have an effect on the Oregon banks that hold public funds and on the level of protection afforded to such funds.

As you heard in today's testimony, DCBS is the state banking regulator for Oregon-chartered banks. However, our department does not have responsibility for the administration or investment of the bank public funds pool. The State Treasurer does, however, consult with DCBS in determining collateralization requirements for individual banks holding public funds in excess of the FDIC insured amount (\$250,000). The department takes these responsibilities very seriously. Not attending the hearing to reiterate the message you heard from the bill's sponsors was not a reflection of the importance we place on our responsibility for protecting all funds held by Oregon banks.

Please let me know if you would like us to provide you and the Committee with additional information on HB 2612 or related topics.

Sincerely,

David C. Tatman  
Administrator  
Division of Finance and Corporate Securities

cc. Darren Bond, Deputy Oregon State Treasurer  
Linda Navarro, Oregon Bankers Association