

HB 2779 A STAFF MEASURE SUMMARY

Carrier: Rep. Smith Warner

House Committee On Revenue

Action Date: 05/02/17

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 9-0-0-0

Yeas: 9 - Barnhart, Bentz, Buehler, Hernandez, Johnson, Marsh, Nosse, Smith G, Smith Warner

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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WHAT THE MEASURE DOES:

Sets conditions under which person or agent collecting moneys for state agency may take more than one business day to transmit moneys to State Treasurer. Modifies reporting requirements for custodians and depositories of public funds relating to pledges and releases of securities, minimum collateral and security requirements and uninsured public funds.

ISSUES DISCUSSED:

- Processes of money management.
- The different effects on the depositing entities
- Communications between the different agencies.

EFFECT OF AMENDMENT:

Excludes moneys collected or received by a county pursuant to an agreement with a state agency. The timing will be covered by the terms of the agreement. The amendment also creates a workgroup appointed by the state treasurer relating to depositories and public funds. The work group is to report to the revenue committee by the 2019 session.

BACKGROUND:

The measure adjusts some of the financial administration statutes as it relates to money transfers to the state treasury. The bill allows for a longer period of settlement if the state agencies comply with the specified conditions. The measure also changes some reporting requirements by depository institutions and allows the State Treasurer to require the reports and specify their shape and requirements. The measure also allows the State Treasurer to consult on some alerts and requirements by institution, with the director of of DCBS, and removes the requirement that the notices need to go to both agencies heads.