

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 271*

Short Title: GPAC/Banking Rec.

(Public)

Sponsors: (by request) Representatives Diamont, Blue, Barnes, Hackney, Hensley, H. Hunter, G. Miller, Nesbitt, and Robinson.

Referred to: Financial Institutions.

February 25, 1993

A BILL TO BE ENTITLED

1 AN ACT TO IMPLEMENT A RECOMMENDATION OF THE GOVERNMENT
2 PERFORMANCE AUDIT COMMITTEE TO DIRECT THE GOVERNOR TO
3 STUDY THE ORGANIZATION OF STATE AGENCIES THAT REGULATE
4 FINANCIAL INSTITUTIONS.
5

6 Whereas, multiple State agencies and commissions currently exercise
7 regulatory authority over various financial institutions and over businesses that are
8 closely related to those institutions; and

9 Whereas, three entities regulate financial institutions in the Department of
10 Commerce, to wit: the Banking Commission, the Credit Union Division, and the
11 Savings Institutions Division; and

12 Whereas, the Department of Insurance regulates the insurance industry
13 through consumer protection, education, and other regulations; and

14 Whereas, changes in federal regulations, market competition, and industry
15 consolidation have blurred the distinctions between the insurance industry and banks,
16 savings and loans, and credit unions, and these organizations serve many of the same
17 markets; Now, therefore,

18 The General Assembly of North Carolina enacts:

19 Section 1. The Governor shall study the organization of the State's agencies
20 that regulate financial institutions, including the insurance industry, and shall report his
21 findings and recommendations to the Joint Legislative Commission on Governmental
22 Operations and to the Fiscal Research Division of the Legislative Services Office not
23 later than January 1, 1994. In conducting the study, the Governor shall consider and

- 1 make recommendations to the General Assembly regarding the feasibility of creating a
- 2 Department of Financial Institutions.
- 3 Sec. 2. This act is effective upon ratification.