

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1993**

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SENATE BILL 264

Short Title: GPAC/Banking Rec.

(Public)

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Sponsors: Senator Martin of Guilford.

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Referred to: Government Performance Audit.

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February 19, 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.