

**WASHINGTON PUBLIC DEPOSIT PROTECTION COMMISSION
OLYMPIA, WASHINGTON**

RESOLUTION 2018-1

WHEREAS, the Commission recognizes the decisive and effective actions taken by financial institutions, public depositors, and state and federal regulators to safeguard public funds by strengthening and improving protections afforded to public deposits in Washington State;

WHEREAS, all public depositaries are collateralizing uninsured public deposits pursuant to resolutions 2009-1 adopted February 18, 2009, and 2016-1 adopted May 31, 2016;

WHEREAS, in 2018 the Legislature passed SHB 1209, Chapter 237, Laws of 2018 effective June 7, 2018 which changed the types of financial institutions included as public depositaries; and

WHEREAS, the Commission desires to modernize Resolution 2016-1 to include all financial institutions defined under Chapter 237, Laws of 2018, and to continue the collateral requirements on uninsured public deposits held by public depositaries categorized as Well Capitalized as defined in Subsection (b)(1)(A) of Section 38 of the Federal Deposit Insurance Act (FDIA) [codified as 12 U.S.C. 1831o(b)(1)(A)], and Subsection (c)(1)(A) of Section 216 of the Federal Credit Union Act (FCUA) [codified as 12 U.S.C. 1790d(c)(1)(A)], or as hereafter amended.

NOW, THEREFORE, BE IT RESOLVED that all Well Capitalized public depositaries as defined in Subsection (b)(1)(A) of Section 38 of the FDIA [12 U.S.C. 1831o(b)(1)(A)], and Subsection (c)(1)(A) of Section 216 of the FCUA [12 U.S.C. 1790d(c)(1)(A)], or as hereafter amended and determined by the federal regulatory authority, may collateralize uninsured public deposits at no less than fifty percent.

BE IT FURTHER RESOLVED that pursuant to Revised Code of Washington (RCW) 39.58.010(12)(b), public depositaries pledging less than one hundred percent collateral on uninsured public deposits shall have their maximum liability increased to twenty-five percent of (a) all uninsured public deposits held by such public depositary; or (b) the average of the balances of said uninsured public deposits on the last four immediately preceding reports required pursuant to RCW 39.58.100, whichever is greater.

BE IT FURTHER RESOLVED that all public depositaries not categorized as Well Capitalized as defined in Section 38 of the FDIA and Section 216 of the FCUA are required to fully collateralize uninsured public deposits pursuant to Resolution 2009-1.

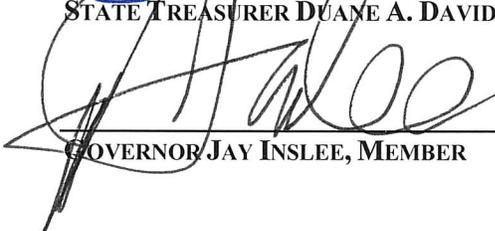
AND BE IT FURTHER RESOLVED that this Resolution shall become effective June 7, 2018, and supersedes Resolution 2016-1.

ADOPTED at an open meeting of the Washington Public Deposit Protection Commission at Olympia, Washington, after notice thereof duly and regularly given as required by law, this first day of June, 2018.

STATE OF WASHINGTON
PUBLIC DEPOSIT PROTECTION COMMISSION



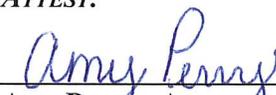
STATE TREASURER DUANE A. DAVIDSON, CHAIRMAN



GOVERNOR JAY INSLEE, MEMBER

LIEUTENANT GOVERNOR CYRUS HABIB, MEMBER

ATTEST:



AMY PERRY, ADMINISTRATOR