

1 **DEPOSITORY INSTITUTIONS INSURANCE**

2 **POWERS**

3 1998 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: John L. Valentine**

6 AN ACT RELATING TO DEPOSITORY INSTITUTIONS; PERMITTING DEPOSITORY
7 INSTITUTIONS TO ENGAGE IN INSURANCE ACTIVITIES **h** ; **AND PROVIDING A**
7a **COORDINATION CLAUSE h** .

8 This act affects sections of Utah Code Annotated 1953 as follows:

9 ENACTS:

10 **7-1-901**, Utah Code Annotated 1953

11 *Be it enacted by the Legislature of the state of Utah:*

12 Section 1. Section **7-1-901** is enacted to read:

13 **ARTICLE 9. DEPOSITORY INSTITUTION INSURANCE POWERS**

14 **7-1-901. Authorized insurance activities of depository institutions.**

15 (1) A depository institution authorized to do business in this state under this title may
16 directly, or indirectly through a subsidiary or affiliate, engage in the following insurance activities:

17 (a) engage in the insurance business as defined under Section 31A-1-301 h EXCEPT AS
17a **MAY BE LIMITED BY FEDERAL LAW h** ;

18 (b) act as an insurance agent, broker, or consultant as defined under Section 31A-23-102;
19 or

20 (c) engage in insurance adjusting as defined in h [Section 31A-23-102]
20a **SECTION 31A-26-102 h** .

21 (2) A depository institution, subsidiary or affiliate, that engages in insurance activities
22 authorized under Subsection (1) shall h [comply with] BE SUBJECT TO h Title 31A, Insurance Code.

22a **h Section 2. Coordination clause.**

22b **IF THIS BILL AND 4th SUBSTITUTE S.B. 76, INSURANCE LAW CHANGES, BOTH PASS, IT IS**
22c **THE INTENT OF THE LEGISLATURE THAT SUBSECTION 7-1-901(1)(b) BE AMENDED SO THAT THE**
22d **REFERENCE TO SECTION 31A-23-102 BE CHANGED TO SECTION 31A-1-301. h**

Legislative Review Note

as of 1-30-98 11:41 AM

A limited legal review of this bill raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel