



SPONSOR: Rep. Vanderwende & Rep. Baumbach & Sen. Pettyjohn  
Reps. Dukes, Hensley, Morris, Ramone, Seigfried; Sens.  
Richardson, Wilson

HOUSE OF REPRESENTATIVES  
150th GENERAL ASSEMBLY

HOUSE BILL NO. 20

AN ACT TO AMEND TITLE 5 OF THE DELAWARE CODE RELATING TO BUILDING AND LOAN  
ASSOCIATION INSURANCE REGULATION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1           Section 1. Amend § 1727, Title 5 of the Delaware Code by making deletions as shown by strikethrough and  
2 insertions as shown by underline as follows:

3           § 1727. Insurance required.

4           No building and loan association whose total assets exceed ~~\$7,000,000~~ \$10,000,000 or registered office of an  
5 association created under the laws of any other state may engage in business within this State unless its shares, savings  
6 accounts, savings certificates and other types of share or deposit accounts offered are federally insured. Before an  
7 institution which is not federally insured receives funds from a new shareholder, investor, member, subscriber and/or  
8 depositor, the institution shall obtain the signature of such person upon a disclosure, on a form approved by the State Bank  
9 Commissioner, advising such person that the funds deposited with that institution are not federally insured.

SYNOPSIS

This bill raises the threshold limit requiring a Building and Loan Association to obtain federal deposit insurance from \$7 million to \$10 million dollars. This amount was last raised in 2005. The State Bank Commissioner is okay with this change.