

MEMORANDUM

DATE: February 6, 2023
TO: House Industry, Business and Labor Committee
FROM: Lise Kruse, Commissioner
SUBJECT: Testimony in Opposition of House Bill No. 1469

Chairman Louser and members of the House Industry, Business and Labor Committee, thank you for the opportunity to testify on House Bill No. 1469.

House Bill No. 1469 Section 2 requires the State Investment Board to blacklist financial institutions. Merriam-Webster defines a blacklist as “a list of persons who are disapproved of or are to be punished or boycotted.” A blacklist by a government entity will cause citizens to lose trust and confidence in their financial institution, which will result in bank runs. Bank runs will cause bank failures, which have devastating impacts on the communities they serve and depositors who may lose their money if over the federally insured limit.

Therefore, the department respectfully opposes House Bill No. 1469.

Mr. Chairman, thank you for the opportunity to provide this testimony. I would be happy to answer any questions the Committee may have.