

Opinion No. 249**Banks and Banking—University of
Montana—Students' Funds,
Deposit of.**

HELD: Acceptance by University of Montana of deposits of moneys from students is authorized by Section 196, R. C. M. 1921.

June 22, 1933.

You have asked my opinion whether the acceptance by the University of Montana of moneys from students, such moneys being paid out by check to such students as needed, can be construed as placing the State of Montana in the banking business.

It is my opinion that this practice is authorized by section 196, R. C. M. 1921, as amended by Chap. 157, Laws of 1931, which reads: "The state board of examiners may in its discretion, by resolution duly adopted and entered upon the minutes of said board, permit any state institution to retain in its possession, under such conditions as the board may prescribe, incomes from dormitories conducted by state institutions, and **moneys deposited in trust by students**, members, inmates or other persons, which may be subject to refund to the depositors on demand or otherwise. The state board of examiners may cancel such permission and require the deposit of any or all such funds with the state treasurer at its pleasure. * * *."

If the practice is authorized by statute it is therefore not material whether the State of Montana may be considered in the banking business or not. In view, however, of the definition of "commercial banking" by section 6017, R. C. M. 1921, and the general definitions of modern banking as found in 7 C. J. 473, and other authorities, I doubt if the mere acceptance of money from students and paying it out to them when needed could be construed as banking.