

1 SENATE BILL NO. 190

2 INTRODUCED BY TURNAGE

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE LOCAL
5 GOVERNMENT GENERAL OBLIGATION REVENUE BONDS AS SECURITY FOR
6 DEPOSITS OF PUBLIC FUNDS; AMENDING SECTION 79-307, R.C.M.
7 1947."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:10 Section 1. Section 79-307, R.C.M. 1947, is amended to
11 read as follows:12 "79-307. Security for deposits of public funds. The
13 following kinds of securities may be pledged or guarantees
14 may be issued to secure deposits of public funds:

- 15 (1) direct obligations of the United States;
16 (2) securities as to which the payment of principal
17 and interest is guaranteed by the United States;
18 (3) securities issued or fully guaranteed by the
19 following agencies of the United States, whether or not
20 guaranteed by the United States:

- 21 (a) commodity credit corporation;
22 (b) federal intermediate credit banks;
23 (c) federal land bank;
24 (d) bank for cooperatives;
25 (e) federal home loan banks;

- 1 (f) federal national mortgage association;
2 (g) government national mortgage association;
3 (h) small business administration; and
4 (i) federal housing administration (not including
5 insured mortgages);
6 (4) general obligation bonds of the state or of any
7 county, city, school district, or other political
8 subdivision of the state;
9 ~~(5) general obligation revenue bonds of any county,~~
10 ~~city, or other political subdivision of the state, as~~
11 ~~provided in section 47A-9-511(3);~~
12 ~~(5)(6)~~ interest-bearing warrants of the state or of
13 any county, city, school district, or other political
14 subdivision of the state, issued in evidence of claims in an
15 amount which, with all other claims on the same fund, do not
16 exceed the amount validly appropriated in the current budget
17 for expenditure from the fund in the year in which they are
18 issued;
19 ~~(6)(7)~~ obligations of housing authorities of the
20 state, secured by a pledge of annual contributions or by a
21 loan agreement, made by the United States or any agency
22 thereof, providing for contributions or a loan sufficient,
23 with other funds pledged, to pay the principal of and
24 interest on the obligations when due;
25 ~~(7)(8)~~ general obligation bonds of other states and of

- 1 municipalities and counties of other states; and
- 2 ~~(b)(9)~~ undertaking or guarantees issued by a surety
- 3 company authorized to do business in the state."

-End-

Approved by Committee
on Business and Industry

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A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE LOCAL GOVERNMENT GENERAL OBLIGATION REVENUE BONDS AS SECURITY FOR DEPOSITS OF PUBLIC FUNDS; AMENDING SECTION 79-307, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 79-307, R.C.M. 1947, is amended to read as follows:

"79-307. Security for deposits of public funds. The following kinds of securities may be pledged or guarantees may be issued to secure deposits of public funds:

- (1) direct obligations of the United States;
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- (3) securities issued or fully guaranteed by the following agencies of the United States, whether or not guaranteed by the United States:

- (a) commodity credit corporation;
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- (f) federal national mortgage association;
- (g) government national mortgage association;
- (h) small business administration; and
- (i) federal housing administration (not including insured mortgages);

(4) general obligation bonds of the state or of any county, city, school district, or other political subdivision of the state;

~~(5) general obligation revenue bonds of any county, city, or other political subdivision of the state, as provided in section 47a-9-511(3) WHEN BACKED BY THE FULL FAITH AND CREDIT OF SUCH SUBDIVISION;~~

~~(6)~~ (6) interest-bearing warrants of the state or of any county, city, school district, or other political subdivision of the state, issued in evidence of claims in an amount which, with all other claims on the same fund, do not exceed the amount validly appropriated in the current budget for expenditure from the fund in the year in which they are issued;

~~(6)~~ (7) obligations of housing authorities of the state, secured by a pledge of annual contributions or by a loan agreement, made by the United States or any agency thereof, providing for contributions or a loan sufficient, with other funds pledged, to pay the principal of and interest on the obligations when due;

1 ~~(7)~~(8) general obligation bonds of other states and of
2 municipalities and counties of other states; and
3 ~~(8)~~(9) undertaking or guarantees issued by a surety
4 company authorized to do business in the state."

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19 issued;

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